

ASSESSMENT OF THE CIVIL SOCIETY SECTOR IN MACEDONIA

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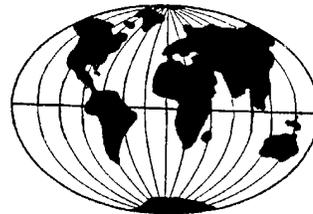
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None of these generous people bear any accountability for our interpretations, conclusions or recommendations. Nor does this report in any way represent any official viewpoint or policy of the United States Agency for International Development. All responsibility for the report and whatever errors or misinterpretations it may contain belongs with the assessment team.

EXECUTIVE SUMMARY

This report comprises an assessment of the civil society sector in Macedonia with a view to gauging the effectiveness of donor-assisted efforts in that area and making recommendations to inform future USAID strategic planning in it. We focus largely on the three main USAID programs supporting civil society — DNP, CSHI and CBI¹ — but as a strategic assessment report, the present document does not constitute in any way a formal evaluation of these initiatives.

TERMS AND DEFINITIONS

Defining the phrase “civil society” itself has proven a vexing task in both applied and academic circles, so much so that use of the term has become essentially stipulative — its meaning has to be declared in any particular context. Accordingly, we will use “civil society” to refer to voluntary (though not necessarily involving volunteers), non-profit, organized activity that is autonomous from the state. In most assistance programs, civil society is seen to perform the two basic functions of service delivery and advocacy, but in Macedonia, especially in the wake of the 1999 and 2001 crises, it has come to assume a third task as well, which could best be called “social fabric repair” — the reconstruction of social capital. In Macedonia, the terms NGO and CSO also take on a different meaning from elsewhere. Rather than being a subset of the NGO universe, civil society and CSOs become the larger universe, which is divided into NGOs (formal, officially registered bodies) and non-formal organizations (NFOs, which may be long- or short-lived and more or less well organized). Both types are major recipients of USAID efforts in assisting civil society.

METHODOLOGY

Our four-person team spent roughly six weeks in Macedonia during June-July 2003, making field visits to four regional hubs outside Skopje, conducting questionnaire surveys and holding focus groups in each one, as well as meeting with individual CSO representatives (from both NGOs and NFOs), government officials at local and national level, and other donor agencies in addition to meeting several times with staff from the three major USAID programs supporting civil society.

THE PRESENT STATE OF CIVIL SOCIETY IN MACEDONIA

The Yugoslav system is remembered today as having provided an adequate if modest living standard inside an authoritarian system largely precluding political rights and freedoms. As the two major ethnic groups, the majority Macedonians and minority Albanians coexisted, though they were never really integrated within the larger federal framework. Independence brought political freedom but at the same time increased economic insecurity as the state sector declined. The crises of 1999 and especially 2001 exacerbated these unfavorable tendencies by precipitating what amounted to a civil war between elements of the two major communities. Fortunately it

¹ It is assumed that the reader of this report is familiar with the acronyms commonly used in Macedonian development circles. Readers with less acquaintance are directed to the list of acronyms provided in Annex A.

lasted only briefly before a settlement was reached in the form of the Ohrid Framework Agreement of August 2001, which was designed to promote ethnic comity, has guided government policy since then, and has provided the rationale for much of USAID support for civil society. Two other notable features of the current scene are the collective memory of the state as preeminent employer/provider and local government's inability to respond to citizen demand. The first inspires a corrosive spoils-system aspects to political life, while the second limits what civil society can attain. It is hoped that the new decentralization law soon to go into effect will ameliorate both problems.

OUR EMPIRICAL DATA

Our data from the group sessions and our interviews allowed us to gain some understanding in detail concerning the current state of civil society in Macedonia, and the extent to which civil society organizations are effective in contributing to democratic development, as well as public and CSO perceptions of principal weaknesses and constraints.

A major distinction emerging early on in the research was the difference between NFOs, represented by 56 of our questionnaire respondents, and NGOs (78). A somewhat parallel distinction surfaced between our 98 questionnaire/focus group participants who lived in the larger cities of Bitola, Kumanovo, Stip and Tetovo, and the 36 who live in smaller municipalities around these bigger towns.

Because of the participation of male-dominated NFOs from nearby municipalities, 57% of the respondents were men. Interestingly, almost 20% of our respondents traced the origins of their organization to the Socialist era, while 27% were established since 2001. While "service delivery" was most frequently marked as their activity, almost 31 % of the responses described their activities as including some sort of "advocacy", broadly defined. Thus CSOs are to some degree "reformers" seeking to change something or advance an interest. While 89% of our survey respondents reported receiving at least some foreign grant support, we were surprised to find that 41% said their organizations had obtained 3 or more grants.

CSOS AND DEMOCRATIC DEVELOPMENT

Our CSO respondents reported themselves cautiously optimistic that, compared to 1999, people in their communities are more willing to work together, and there is certainly more associational life, in part stimulated by need, in part by a return to stability in important parts of the country. CSOs are somewhat less sanguine about interethnic cooperation, however. Evidence of citizen-driven initiatives at the local level were more difficult to find, suggesting that without involvement of local authority figures, citizens are unlikely to bond together to solve a problem. CSOs do report that authorities are listening to the "voice" of CSOs, but say that that their influence, while improving, is not substantial.

Regarding oversight and accountability, there is little evidence that CSOs as yet play an important role. Much of the explanation for these weaknesses is linked to the exceptional centralization of decision making, and the absolute weakness of local government in almost all respects. On the input participation side, however, there is evidence that in smaller communities where CSHI and CBI have worked extensively, citizen groups have worked with entrepreneurial

mayors, some of whom have been remarkably successful in obtaining outside funding for municipal purposes. At the national level, we learned of several successful efforts to attain voice, achieve influence and hold government accountable. With the exception of the local coalition-building effort we found in Kumanovo, however, there was relatively little institutionalization of these advocacy and oversight functions.

The criticisms of and constraints faced by the CSO community are many and legendary, almost becoming a “mantra” voiced by donors and CSO leaders alike. Charges range from “in it for the money” to “politicized, ethnicized, and incompetent.” We identified a number of rather daunting constraints as factors which would have to be overcome before a viable CSO community could emerge as a critical part of Macedonian social and political life. These range from entitlement attitudes fostered under the socialist period, to the failure of the donor community to insist on performance, transparency and accountability in the awarding of financial support. Ethnic divisions and deference to strong leaders inhibited the development of cooperation and internal accountability, while deep-rooted cultural patterns of mistrust, personalism and the tendency to view everything through the lens of money and politics are all contributing factors. Paradoxically, many in the donor community have what seems to us to be a naïve romanticism about the expected purity, selflessness and bottomless commitment that should be displayed by NGO leaders and workers alike. These same critics will then point out that most CSOs are poorly managed, lack professionalism, don’t know how to advocate, are poor communicators, and certainly should not be trusted with any money for core or indirect costs.

MAIN FINDINGS

EFFECTIVENESS OF USAID STRATEGIES

The SOW focused the team’s attention on three specific programs, DNP, CBI and CSHI. In this context it specifies a number of tasks, including an examination of the strategies underlying the programs pursued by the partners, a comparison of the strategies pursued by each, and an assessment of the achievements and limitations of each. It goes on to direct the team to assess the extent to which there is sustained impact on important dimensions of the Mission’s civil society development strategy.

The team expects the current program studies on CBI and CSHI, as well as the recent evaluation of DNP, will all validate the high level of output of all three programs. Our task was to examine the logic of the strategies, the operationalization of those strategies, and their impact to date on CSO development and contribution to democracy in Macedonia.

At the strategic level we found that all three organizations’ strategic objectives conform well with USAID’s SO 2.1 (“increased citizen participation in political and social decision making”), although CBI and CSHI strategies initially viewed citizen participation and confidence as “means” to stabilization and conflict mitigation in the CBI case, and employment and economic growth in the CSHI case.

The principal weaknesses in all three programs were found in the disconnect between the civil society building objectives and the actual implementation of the strategies. In the DNP case, the main problems in the program’s early days appeared to be a tendency toward subject matter

proliferation in the grant-making program, and lack of focused effort to advance a core group of CSOs to a level of competence and sustainability consistent with the Macedonian future. Later on, DNP changed course by focusing on environmental CSOs with their Local Environmental Action Plans, and then the Community Action Plans. Unfortunately, none of these efforts have seemed to generate the critical mass necessary to affect substantial change or coordinated action at the local level. In its later phase IV, DNP did establish a good record of building capable CSOs, and this achievement will likely become its major legacy, but it was not part of SO 2.1.

For CBI and CSHI, the strategy for energizing local participation in priority setting and self-help engagement in projects is salutary and — where it is part of a more general development momentum created by the efforts of energetic mayors — may have some lasting effect. In both programs, a gradual movement increasing local involvement in the project cycle would have contributed materially toward strengthening local management capability, however. We also noted the differences between a speedy path toward project approval in the CBI case, and the more lengthy and “deliberate speed” of the CSHI process. If one is to energize local participation, then some way should be found to keep enthusiasm and hope alive over the short and medium term.

Finally we note the enormous potential for learning and for synergy between the different programs, including ones not directly under our purview. The CSHI program, for example, could well be a close ally of the LGRP program, e.g., working for a better fit between community inputs and municipal provision of outputs. CRS already is another partner in this SO, and more could be done to coordinate local investments in schools with CRS programs to strengthen parent organizations.

As to whether CSOs at the present stage could survive the withdrawal of donor support, the answer is yes for a small number, but probably at a substantially lower level of activity, and with less possibility of realizing the potential a good number of them have. In general, CSOs are donor dependent, but a good number have become quite savvy in obtaining support from many disparate sources of external support.

OTHER PROGRAMS AND DONORS

In addition to looking at the three major USAID civil society programs, the team met with representatives of other USAID-assisted initiatives (LGRP, CRS and NDI), two organizations that functioned as both recipients and donors, four multilateral donors, five bilaterals, and three European-based NGOs acting as donors. We were also able to visit a number of their grantees in the field during the course of our visits to assess the main USAID programs.

Though slightly more generous than USAID, most of these donors take a similarly stingy posture toward overheads and core costs for their grantees, generally allowing only for staff costs directly connected with project activities. A second thing to note is that EAR is on its way to becoming the main supporter of Macedonian civil society, even as USAID support declines.

OTHER FINDINGS

The assessment areas laid out by the SOW led us to explore other allied topics as well, a number of which proved relevant to our central inquiry. First, while *coalitions* have proven valuable for

increasing the political weight of the civil society sector elsewhere and have been tried more than once in Macedonia, they have not succeeded except sporadically in affecting the policy agenda, either nationally or locally. Second, a promising source of counsel and assistance for NGOs is beginning to emerge in the form of *NGO support centers*, supported initially by SDC and now being taken up for expansion by EAR and FOSIM. A third finding, confirmed at virtually every turn, concerns the *weakness of local government* in Macedonia — municipalities control very little of significance beyond water supply and waste disposal. Major change is on the way, however, in the form of a Local Self Government law that will devolve major authority to the local level, beginning in 2004. The corrosive pervasiveness of the *political spoils system* constitutes the fourth major finding. Virtually everything relating to government, including support for civil society, is completely explained away in terms of party allegiance and patronage, with merit and policy preference having no credence whatever. Such an ethos is hard on civil society. A last important finding focuses on the relationship between *civil society and the media*, best characterized as immature on both sides. Civil society seeks to present itself with press releases and speeches, while the media (especially broadcast) tend to find public affairs journalism much less attractive than commercially more profitable fare like showing pirated movies. Neither has much to offer the other.

PRINCIPAL CONCLUSIONS

INSTITUTION BUILDING AND CIVIL SOCIETY

The most critical aspect of civil society in Macedonia is its lack of what might be called “critical mass,” by which we mean that political elites do not as yet have to take it seriously as a player in the political arena at either national or local level. Sporadically civil society has had an impact on policy at both levels, but these successes have been only episodic, not indicative of its institutionalization. The major need here is for a significantly larger group of organizations capable of forming the core of such a critical mass. Presently the country can boast many NGOs — over 5500 by the best estimate — but only a few evidence much capacity.

One important reason behind the weak civil society presence in the political arena has been donor reluctance to engage in institutional investment among NGOs. With notably few exceptions, they practice a “topping up” approach, on the assumption that they can leverage investments already made by others or accumulated through some combination of self-bootstrapping and volunteerism. In fact, these investments have never been made on any significant scale over the relatively short time since Macedonian independence in 1991.

INSTITUTION BUILDING ON THE GOVERNMENT SIDE

If civil society is to partner effectively with government, the latter must be capable of responding to it. There are hopeful signs here, but much more needs to happen. In all the municipalities we visited, the mayor proved to be a critical factor. Where CBI and CSHI programs appeared to succeed, it was in most of the cases we examined due in large measure to a dynamic mayor’s efforts. Local leadership clearly counts. But the feeble authority and paltry resources now available to municipalities severely circumscribe what can be done

TARGETING CIVIL SOCIETY SUPPORT

In the aftermath of the 1999 and 2001 crises, USAID and other donors were surely on the mark in programming a large share of their assistance to minority communities in an effort to harness civil society to its newly assigned task of social fabric repair. In many ways this emphasis has succeeded, to the extent that many of the most successful NGOs we observed were engaged in that very assignment. But there are also signs of adverse reaction from the majority community, which should not be ignored. Tied in here is a geographical distribution of civil society assistance that has emphasized troubled areas in the West and North of the country, also leading to some resentment. And finally, we noticed a sectoral pattern in civil society assistance that has favored some sectors (e.g., women's issues, minorities) while paying little attention to others (most notably, health).

RECOMMENDATIONS FOR FUTURE USAID ASSISTANCE TO CIVIL SOCIETY

Our two principal recommendations are closely allied to each other:

- Help build a critical mass for the civil society sector at national and local level;
- Take advantage of the new Local Self Government law to strengthen the demand side of the civil society-local government relationship in collaboration with USAID's ongoing LGRP initiative now addressing the supply side.

A useful guide to working through the more detailed recommendations below will be found in Table 8 at the beginning of the fifth and last section of our report.

BUILDING CIVIL SOCIETY INSTITUTIONS

Although DNP is making good progress on developing capacity among its group of grantee NGOs, the overall task of creating critical mass is far too large for any single donor to undertake. The strategic implication, then, is for USAID to collaborate with other donors to build the sector. We would also urge the Mission to reconsider its prohibition against providing overheads and core funds to grantees; the assumption that other donors and a robust volunteer spirit can handle the load should be dropped. Coalition building is also an effective means for attaining critical mass and should be pursued, despite earlier difficulties. NGO support centers, already begun and including USAID-assisted input from LGRP, can help the NGO community improve capacity and should be supported at both local and national level. Finally, it is not just the formal NGOs that need nurturing. So do the large numbers of NFOs that rarely make it onto the donors' institutional radar screens but which proved critical to the CBI and CSHI programs. Part of the problem here is that we have so little systematic knowledge about them; a small research effort could easily fill in this gap.

BUILDING GOVERNMENT AND PARTY INSTITUTIONS

The local self government law soon coming into effect will greatly enlarge the prospect for civil society engagement at the local level. USAID civil society programs should take advantage of the opportunity by undertaking a close collaboration with LGRP. As the new law is moving into reality, USAID can also help build good local governance habits by allowing municipalities and CSOs an increasing role in managing the local infrastructure contracts used with the CBI and

CSHI programs. Fostering more responsible parties lies outside the scope of civil society assistance, but it is sufficiently important to the future of civil society that we feel emboldened to recommend that NDI and IRI be urged to provide greater assistance to this end, possibly in collaboration with the German *stiftung* organizations that have been dealing with the same party structure.

CIVIL SOCIETY AND THE MEDIA

Awareness of the problems between these two entities is widespread, and efforts have begun to improve relations between civil society and the media. USAID should support them.

TARGETING CIVIL SOCIETY SUPPORT

Though large-scale assistance to minority communities has begun to fuel some resentment among the majority population, we would not suggest that this emphasis should be dropped (although the imminent end of the CBI program will itself change the relative weighting here). But there is a challenge in providing extra opportunity to the minority population while at the same time keeping the confidence of the majority that it is not being ignored. This is a delicate balancing act, to be sure, but it is also one that Americans have accumulated a great deal of experience at dealing with over the past several decades. USAID should be able to draw on that experience in achieving the appropriate emphases in its Macedonian programming. As for neglected programming sectors like health (and perhaps now environment as well, now that other sectors have gained a higher priority within USAID), the fact is that a small American program cannot tend to every need. Some sectors will have to be left to others.

SCALING UP SOCIETY SUPPORT

As USAID is downsizing its assistance, EAR is engaging in a very sizeable buildup of its support, a significant portion of which will be designated for civil society. At present EAR is uncertain how to allocate its funds, particularly when it comes to small NGO grants. USAID's rich experience in precisely this mode of activity gives it a unique comparative advantage that it should draw on to offer advice and counsel to EAR.

CIVIL SOCIETY SECTOR ASSESSMENT FOR MACEDONIA

1. THIS ASSESSMENT AND ITS METHODOLOGY

Commissioned by the USAID mission in Skopje, during June-July 2003 our team conducted an assessment of civil society and USAID programming in this sector with a view to making recommendations for future initiatives.¹

Our report begins by laying out a definition of civil society and our methodology in this section, and then going on in the next one to provide an outline of the present state and needs of civil society in Macedonia. The third section assesses the effectiveness of current USAID strategies for strengthening civil society in Macedonia, giving some attention to those of other donors as well. In the fourth section, we present the key findings from our work, while in the fifth and final one, we offer a series of recommendations that we hope will fruitfully inform future mission strategy in this area.

WHAT THE REPORT IS AND IS NOT

As an “assessment of the civil society sector in Macedonia,” the present report includes a broad-gauge review and appraisal of USAID-supported efforts to assist civil society in that country. Such an exercise necessarily meant devoting serious attention to USAID programs, contractors, cooperators and grantees in this area. Accordingly, we devoted a good deal of our time to looking at the activities of the three principal USAID programs in the civil society subsector. Two of these initiatives were managed out of the USAID mission in Skopje: the DemNet Program (DNP) and its contractor the Institute for Sustainable Communities (ISC); and the Community Self Help Initiative program and its contractor, Louis Berger, Inc. The third USAID program, the Confidence Building Initiative (CBI) was managed by the Office of Transitional Initiatives (OTI), located in Washington,² through a cooperative agreement with the Organization for International Migration (OIM).

But this kind of “assessment” does not in any sense constitute a formal evaluation of these programs or their implementers. We analyzed a number of aspects of these programs, but only in the interest of our general understanding of their purposes and activities, not with a view to evaluating them as programs. Those exercises have been and are being conducted by others.³ Rather our task has been to draw up a broad picture of the overall USAID effort to support civil society. Accordingly, our appraisal and critique of these programs should be taken as representing the impressions and understandings gleaned from our review, not an official evaluation.

¹ See the Scope of Work, included as Annex B to this report.

² Through CBI’s direct line of authority connected to USAID/W, the program worked closely with the USAID mission in Skopje.

³ A DNP evaluation was completed in February 2002 (see Cook et al., 2002). Evaluations of the CSHI and CBI programs are currently under way and should be completed by late summer 2003.

DEFINING CIVIL SOCIETY IN GENERAL AND IN MACEDONIA

The term “civil society” has proved an exceedingly contentious one in both applied and academic circles since it has come into widespread use over the last 15 years or so within the development community.⁴ At one extreme some take it to mean any organized human activity not part of the state or the family, while at the other end of the spectrum people use it to mean efforts intended to influence public policy but excluding the commercial sector, political parties, religions, etc. Even within USAID itself, the meaning of “civil society” is far from settled. Accordingly, any definition is by its nature stipulative — one has to declare what is meant by “civil society” in any particular context.

In addition to these disputes about what it *is*, arguments also continue over what “civil society” *does*. The broader school noted above generally holds that civil society works through non-governmental organizations (NGOs⁵) of various kinds to perform both service and political functions. On the former side, NGOs deliver goods and services to beneficiaries, while on the latter it provides channels for citizens to participate in the political arena and to hold government accountable.⁶ In shorthand terms, these two functions are often labeled “service delivery” and “advocacy.” The narrow definers would insist that “civil society” properly defined comprises only the advocacy function.

In a Macedonian context, it makes sense to operate closer to the broader concept on both counts. In terms of “what it is,” we will use the phrase “civil society” to refer to *voluntary, non-profit, organized activity that is autonomous from the state*. It can be thought of as a “fourth sector” of society that is not government, not family, and not commercial. Because of how USAID divides its operating arms, we exclude trade unions (covered by the American Center for International Labor Solidarity’s program in Macedonia) and political parties (assisted by the International Republican Institute and the National Democratic Institute).⁷

Some of the terms in our definition above need clarification:

- “Voluntary” means that individuals freely join the enterprise. Their relationship can be based on primary association (e.g., gender, age, religion, ethnicity) or secondary affiliation (e.g., occupation, residence, avocation).⁸
- “Non-profit” means that the organization is not primarily engaged in commercial activity. A non-profit group can engage in income-producing initiatives, however, such as operating an internet café using its IT facilities.

⁴ For a discussion of this contention, see Blair (2002).

⁵ Annex A offers a list of the many acronyms we have used in our report.

⁶ These channels for participation and accountability are continuous and come in addition to the more formal path of elections held at regular intervals.

⁷ Political parties are often excluded from definitions of civil society on the thought that instead of trying to influence state public policy as civil society associations attempt to do, parties want to take control of public policy by winning power in elections.

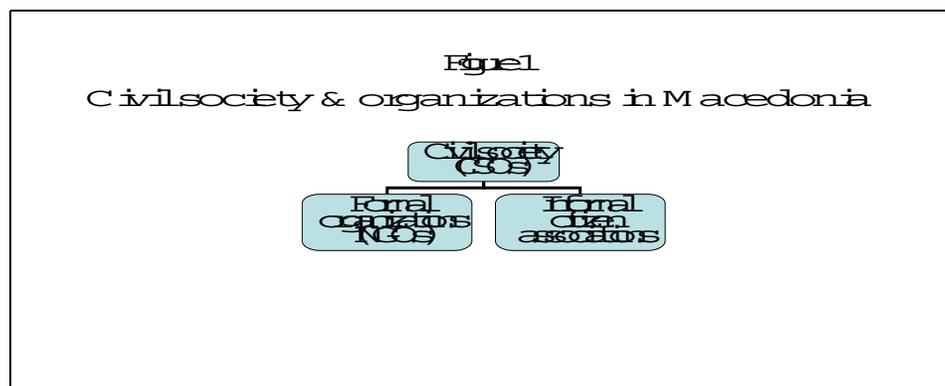
⁸ The word “voluntary” means that participation occurs freely and is not coerced or a function of some other capacity, such as employment or religion. If a faculty senate consists of the entire faculty at a university, it is not a voluntary association, nor is the entire community of Catholics. But a faculty association engaged in environmental activism would be, as would a Catholic men’s group working with disabled children. Nor does “voluntary” infer that everyone involved with such activity must do so on a volunteer basis. A civil society organization can have paid staff members.

- “Autonomous” means that the association is free of any control or influence from national or local government. Thus the “front” organizations characteristic of the socialist era (e.g., journalists associations, young pioneers) would be excluded.

As for “what it does,” we employ an even broader definition than that used elsewhere in the development community. As it has been supported by donors over the last several years in Macedonia, civil society has had not two but actually three functions, in that it performs service delivery, advocacy and what could best be called “social fabric repair.” The Kosovo crisis of 1999 and most especially the ethnic crisis of 2001 produced severe ethnic tensions in the country that led to concerted donor efforts toward supporting civil society initiatives aimed at repairing relations between the two major ethnic groups in the country. In conceptual terms, this has meant an increased emphasis on “social bridging capital” — enhancing sense of trust and common purpose across groups — rather than the “social bonding capital” involved in building these qualities within communities. In a practical sense, it has assigned an additional task to civil society of such magnitude that the service delivery and advocacy functions have had to take second place. Another way to put it is that civil society’s customary task of building social capital, which is generally assumed but often not mentioned in most accounts (most likely because it is so ordinary) takes on a greatly enlarged role in Macedonia — both because of the 2001 crisis and because it was in very short supply even before those events.

Another definitional matter concerns the relationship of CSOs, civil society, and NGOs. Often in development circles (especially among the narrow interpretation school noted above), CSOs and civil society activities are considered a subset of the NGO universe — the kind of NGOs that undertake mainly advocacy efforts, as opposed to the larger proportion that are involved largely (though not exclusively) in service delivery activities.⁹ In Macedonia, by contrast, the situation is rather reversed, in that the collectivity of NGOs is usually thought to be a subset of the civil society universe. Certainly in the USAID program, “civil society” is taken to include (1) NGOs, which as used in Macedonia by virtually everyone to refer only to organizations formally registered with the government, and (2) informal associations, which may be of greater or lesser duration and more or less well organized, but in any event are not formally registered. It makes sense then, to use the terms **“civil society” and CSO to denote both the formal NGOs and the informal citizens associations that are taking on civil society activities, which can include both advocacy and service delivery.** This conflicts a bit with practice among some other donors (and at times USAID), which use NGOs and CSOs as interchangeable terms, or see “civil society” as consisting of only the formal organizations. But we want to emphasize both the formal and informal associations as part of civil society. The picture we are using, then, looks like this:

⁹ For more on this distinction between service delivery and advocacy functions of NGOs and CSOs, see Blair (2002).



A last definitional issue concerns the terms “state” and “government.” In the donor community generally, they refer to governmental structure at all levels — national, local and (if appropriate) in between. In Macedonia, as we learned, these words are taken to denote only the national government, including its various ministries and offices as represented at the local level. Strictly local governance structures — mayors, municipalities, water supply facilities, etc. — are referred to with a formulation on the order of “local authorities.” In this report, we shall use “state” only in the most abstract sense and primarily just in this first section, and will use the phrases “national government” and “local government” (or “local self-government”) to refer respectively to these two levels. This seemed the most appropriate compromise between Macedonian and standard donor usage.

METHODOLOGY

Our assessment team was fielded by Development Associates, Inc., of Arlington, VA, and consisted of four formal members:

- Harry Blair, who served as team leader, is Senior Research Associate and Lecturer in the Political Science Department at Yale University;
- Richard Blue, who retired from the USAID Foreign Service in 1994, has worked as an independent consultant since then;
- Mihailo Popovski is Associate Professor of Social Psychology in the Faculty of Social Science at the University of St. Cyril and Methodius, in Skopje; and
- Ilo Trajkovski is Professor of Sociology in the Faculty of Philosophy at the University of St. Cyril and Methodius, in Skopje.

Our methodology had both a qualitative and a quantitative dimension. On the qualitative side, we employed the following approaches:

- Document perusal, mainly the USAID materials from the mission and the numerous reports generated by the three principal USAID implementers;¹⁰
- Key informant interviews with USAID and American Embassy staff members, contractors, officials at national and local governmental levels, program grantees, NGO leaders (in some cases grantees and in others not), representatives of informal citizen

¹⁰ Annex C provides a list of references used.

associations, journalists, and other knowledgeable observers of the civil society universe in Macedonia;¹¹

- Field visits to five key regional hubs (Bitola, Kumanovo, Stip, and Tetovo, as well as the Skopje area) and 13 independent municipalities (the four regional centers just noted, plus the smaller localities of Berovo, Bistrica, Cucer Sandevo, Jegunovce, Karbinci, Lipkovo, Mogila, Saraj, and Vratnica. In addition, we visited a good number of NGOs in Skopje itself, mostly national in their scope but also including a few local ones.
- Group meetings separately for formal NGOs and informal association members in Bitola, Kumonovo, and Tetovo, as well as a meeting with NGOs only at Stip. In the course of these meetings, we convened some 21 focus groups to discuss specific aspects of civil society assistance.¹²

The areas for field work were consciously chosen to assure a good representation of programs sponsored by the three principal USAID contractors (all five hub locations), former conflict areas (Tetovo and Kumovo), one large town that had escaped conflict (Stip), some smaller municipalities with significant USAID programming (the nine other jurisdictions), and finally some attention to programming in the major metropolis, where over one-third of the country's population resides.

Our quantitative dimension comprised a questionnaire (in both Albanian and Macedonian languages), which we employed at the group sessions. In all, 134 respondents filled out the questionnaire.¹³

2. PRESENT STATE AND NEEDS OF CIVIL SOCIETY IN MACEDONIA

THE CONTEXT FOR CIVIL SOCIETY

The Yugoslav socialist period that lasted until Macedonia's breakaway into independence in 1991 provided an insulated societal system that maintained basic social services and assured high (if not universal) employment. The regime even allowed a certain low level of civil society participation in the form of local sports clubs and carefully circumscribed Neighborhood Units (NUs), while keeping in place an authoritarian one-party system, a widespread repression of civil rights and political liberties, and a structure of front organizations that provided only a faint semblance of democratic civil society. Economically always a neglected backwater, even in Ottoman times, the area that is now Macedonia remained along with Montenegro the least advanced of the Yugoslav republics, but the vast majority of people nonetheless enjoyed largely acceptable lives. The system, in short, provided an adequate material living standard (albeit at a low level of development in a substantially non-market economy) in an environment characterized by largely-absent political rights and freedoms.

The major ethnic communities co-existed in that they lived next to each other, largely in separate neighborhoods and village settlements, but they were never really integrated. Albanian and Macedonian students, for example, had separate classes even when attending the same school.

¹¹ Annex D gives a listing of all persons interviewed by the team, as well as all the participants at our various group sessions.

¹² To recruit participants for these sessions, we relied on the CBI and CSHI field representatives (and upon FOSIM for the Stip session). They responded admirably to our request, for which we are most grateful.

¹³ An English version of the questionnaire and focus group protocol is furnished as Annex E to this report.

Macedonian independence brought in democratic rights and freedoms. Whereas in 1991, Yugoslavia had been graded by Freedom House as 6 on political rights (where 7 was the lowest score on a 1-7 scale) and a 5 in civil liberties (using the same scale), Macedonia began its independent existence with scores of 3 and 4 on these two measures in the 1992 rankings. There have been and remain serious imperfections, to be sure, especially in terms of public accountability, but basic democratic rights and freedoms are more or less in place.¹⁴ On the economic side, however, there is much insecurity. Unemployment has greatly increased as state enterprises have downsized, government service provision has declined, and standard of living, while improving somewhat in recent years, still has not caught up to what it was in the 1980s. Small wonder, then, that in recent opinion polls a majority of respondents have said they were better off before 1990 than presently and that in general things were going “in the wrong direction.”¹⁵

The crises of 1999 and 2001 exacerbated these unfavorable tendencies by adding in an ethnic dimension. First, the events of 1999 poured thousands of refugees from neighboring Kosovo (mostly Albanians but also significant numbers of Roma people), putting strain on the welfare system. And then the ethnic crisis of 2001 saw what amounted to civil war in parts of the country between Albanian irregulars and the Macedonian army. Some knowledgeable observers would add in as a fueling factor the breakdown of what had become a linkage between Albanian drug (and increasingly human) traffickers using Macedonia as a transit corridor after Yugoslavia’s breakup and a corrupt tier of Macedonian politicians and bureaucrats who batted on allowing the traffic to flow through the country.¹⁶ The social fabric binding ethnic Albanians and Macedonians together, at best a thin weave to begin with, began to tear seriously as the conflict spread from a small village on the Kosovo border about 20 km north of Skopje, toward the east and especially the areas in the West of the country.

The Ohrid Framework Agreement, signed on 15 August 2001, was intended to provide a path out of the crisis, and has served as the guideline for restoring ethnic co-existence since then in terms of GOM policy and well as a great deal of assistance for conflict mitigation, confidence building and civil society on the part of USAID as well as other donors. It has been, in fact, the Ohrid-related assistance that has added the social capital-building component to the more customary civil society functions dealing with service delivery and accountability. Even if the assistance helps materially in restoring the status quo ante, however — and we did find some evidence that it has done so (as will be seen later on in this report) — the fissures between the principal communities have long been so deep that it will take a long time for bridging social capital to have any real lasting impact.¹⁷

A final component in the context is the government, where two features stand out as highly relevant to our enquiry. First, whether at national or local level, government was seen during the socialist era as a huge benefit-supplying apparatus. Jobs, services, pensions, welfare were what it provided, and, not surprisingly in this ethos of public-sector patronage, the sense of entitlement

¹⁴ Since 1992, Freedom House scores have oscillated between 3 and 4 on both political rights and civil liberties. For 2002, Macedonia received a 3 ranking on both indices.

¹⁵ Data for 2000 from BRIMA survey commissioned by USAID. A USAID-sponsored ESC BSTEK poll in 2002 showed the same pattern for life compared with pre-1990, among both Albanian and Macedonian respondents.

¹⁶ See Robert Hislope (2001).

¹⁷ “Bridging social capital” builds interpersonal linkages between different communities, whereas “bonding social capital” strengthens them within communities. Needless to say, the former type is more difficult to work on. For an excellent analysis of these issues, see Ashutosh Varshney’s study of Hindu-Muslim relations in India (2000).

became large. In Yugoslav days this amounted to a one-party spoils system, and now it has turned into a multi-party spoils system, such that the winning party tries to allot jobs and services to its followers to the extent that it can. The entitlement instinct still runs strong, now filtered through a partisan party-based machine. Equally important, everything that government does tends to be interpreted in terms of party patronage and favoritism — impersonal, rational behavior in conducting government business is not how citizens perceive the public sector to function.

A second notable feature lies in government's inability to respond to citizen demand, particularly at the local level. In contrast with the Yugoslav period when local governments had considerable autonomy, the post-independence era saw a rapid centralization. Local governments now have miniscule budgets and little authority, given that all important functions like education, health, police, transportation, etc, are controlled through the central ministries in Skopje. Water, waste management and some aspects of road maintenance are about all that comes under municipal control. This picture is scheduled to change as the Ohrid Agreement gradually takes effect and successive functions are devolved to the local level, but this process will take a number of years to unfold completely. In the meantime, there are severe limits on what local government can do to meet civil society's wants and needs. At the national level the potential is somewhat greater, for the government could change its policy on, say, educational or health issues. But to actually implement such policy changes would be difficult at best with a bureaucracy still largely staffed by officials who served under the Yugoslav government and an economy that produces little surplus. And in any event, with a few exceptions in sectors like environment (e.g., the Veles zinc smelter) or some gender issues (e.g., getting more women on the party ballots for the 2002 election), civil society is as yet too embryonic to pressure the national government to take action.

GENERAL CITIZEN PARTICIPATION IN POLITICAL AND CIVIL LIFE

USAID sponsored national opinion and attitudes surveys conducted in 2000, 2001 and 2002, show that Macedonians exhibit high political interest and subsequent participation in voting and party activity, but much weaker interest in advocacy or participation in self-help kinds of groups.¹⁸ Moreover, there are signs that the situation is worsening, or perhaps returning to a "normal low", over the last few years, with both participation and confidence in the positive motivations of NGOs declining.

Whatever good the 5500 registered NGOs are doing, as a whole they are failing to convince the public that they are useful, trustworthy and worth getting involved with. This is unfortunate. The evidence suggests that while there are serious structural problems in the NGO, NFO and Donor communities and relationships, there is also cause to be appreciative of the work NGOs are doing, and for optimism that the Macedonian civil society has the potential to evolve in a positive direction.

¹⁸ One of the difficulties with what appears to be a negative trend in attitudes of trust toward Macedonian NGOs is the time period covered by the available surveys, 2000 -2002. This period was marked by instability and conflict in Macedonia which may have had the effect of stimulating voter turnout and political participation, along with volunteerism in helping with humanitarian assistance for refugees. As the situation settled by 2003, normal skepticism reasserted itself. This interpretation must remain speculative, however, as we lack a normal pre-conflict year poll to use as a baseline.

DONOR AND NGO PERCEPTION OF CIVIL SOCIETY AND THE NGO COMMUNITY

In our interviews with donors, government officials and CSOs, as well as in our group focus sessions, we found a very widespread view of NGOs that was highly unfavorable. The main criticisms were that:

- NGO leaders are in it for the money.
- NGOs don't do much that is useful; they are largely irrelevant to calculations of political power or utility in the community.
- They are more interested in serving the needs of the donor community than addressing the real problems of Macedonian society.
- They are unwilling or incapable of effective representation and advocacy in the government law making or policy process.
- They do not represent the "real" civil society of Macedonia, which may be found in the Non Formal Associations of the school, the neighborhood or the small municipality.
- NGOs are donor driven, grant chasing organizations, good at marketing themselves.
- They make demands for support from government, but they are not democratic, not accountable, not transparent, and not representative of the people.
- They are corrupt, money laundering businesses in disguise.
- They don't have a clear mission, clear strategy and clear plan for sustainability and growth.
- They lack professional competence and capacity to deliver services effectively.
- Even the good ones fail to communicate their activities adequately to the larger community.
- They are politicized, personalized, and 'ethnicized' to a serious degree, therefore unable to mount joint action with other groups on common issues.
- There are too many of them. It would be better to have just a few really good ones to deal with.

What the team found surprising is that these criticisms are heard almost as much from donor representatives, and NGO leaders (especially in Skopje), as from expected critics among government and intellectual circles. It is difficult to determine the extent to which these criticisms are broadly applicable, or are simply the product of gossip and one or two high-visibility bad examples. Based on the interviews, discussions, and site visits conducted for this assessment, we believe that there are elements of truth in some of these criticisms, but that in the main, the criticisms overstate the case by some margin. They seem to be largely the result of naïve idealism about the purity and righteousness of "true" NGOs, a deep cynicism about what motivates human behavior, or an administrative impatience with the proliferation of diverse groups making demands and seeking support.

DIFFERENT TYPES OF CSOS – CSO TYPOLOGIES

There are several different approaches to establishing a comprehensive typology for organizing information about the diverse range of NGO activities and functions. A very simple typology is based on the recognition that Civil Society Organizations (CSOs) involve more than legally registered NGOs. A wide variety of non-formal organizations (NFOS) are found in most

societies, especially at the neighborhood level. These groups may ebb and flow in their level of activity, but some have evolved to be more or less identifiable, such as Parents Associations, or associations that form around maintenance of a neighborhood park or other facility. Some of these associations may be formal NGOs in the making, and some are content to remain loosely organized cooperative units that come together for specific purposes. It may be argued that these kinds of non-formal associations do contribute to the building of social capital and trust, and to the shift from a passive to an active understanding of democratic citizenship. USAID/Macedonia recognizes this “proto-CSO” category in the typology presented in the Scope of Work (SOW) for this assessment. The SOW defines NFOs as “informal, citizen groups: non-professional, part-time, usually address multiple issues, geographically defined, may be temporary or lasting.”¹⁹ The present assessment has followed this usage in developing its typology discussed below.²⁰

The Macedonian Center for International Cooperation (MCIC) typology distinguishes registered NGOs and active NGOs based on responses to MCIC’s solicitation of information pursuant to the development of the MCIC 2002 Directory. The methodology for producing this directory could undercut the kind of NFOs described above, since many would never be solicited for inclusion.²¹ Building on this distinction, MCIC finds 1551 NGOs, including sports club and cultural clubs. Using its definition of CSOs, the ISC report further reduces this number to between 200 and 300 by eliminating what they assert to be social clubs organized “not as providers of services or advocates....”

The ISC and the MCIC reports both note that NGOs do not focus on a single activity. Applications to ISC and the MCIC directory demonstrate “widespread and diffuse” interest by NGOs.²² More than 40% of those responding indicate that they are active in five or more areas, at the same time attempting to focus on a relatively well defined “target group.” This finding leads to the usual ranking of NGOs by target group, such as Youth, Children, Women, Handicapped, Ethnic, Business, etc. It is interesting to note that even here, the second largest category of NGO activities reported in the MCIC Directory is “General”, suggesting that a more refined typology might be needed.

THE ASSESSMENT TYPOLOGY

The Scope of Work for this assessment directs the team to develop a useful typology for the different classes of CSOs found in Macedonia. CSOs may be classified by type and function, especially given that the USAID civil society programs work with so many different kinds. In our work, we found at least some representatives of all the organizational types shown in Table 1. Many were the informal associations noted earlier that are usually organized around some particular activity like sports or a school. Other bodies, essentially the Neighborhood Units (NUs), might be better called “quasi-formal” groups, for they do have some official status from the Yugoslav past when they were the territorial subdivisions of a municipality, designed to mobilize and organize citizens in case of disasters or civic need. Some — perhaps many — of

¹⁹ USAID Macedonia, “Scope of Work for Civil Society Assessment Team”, Section 1.2. . The SOW is appended to this report as Annex C.

²⁰ An unintended consequence for USAID of the CBI and CSHI programs may be the identification of these types of groups as part of civil society. In other USAID countries, “civil society” tends to be identified only with the formal NGO community.

²¹ Information and data about the MCIC Directory are taken from the ISC Analysis, p 7-9 passim.

²² ISC Report p.7

the NUs have become moribund or disappeared altogether in all but name, but others continue in place, electing officers, attending to such needs as flood relief or small-scale snow removal. CBI has used quite a few of them as its Confidence Building Units (CBUs).

On the more variegated formal side of the ledger in Table 1, we have identified at least seven types. At the most local end are the cultural and youth NGOs like the Youth Cultural Center in Bitola, which has received grants from both CBI and CSHI for such activities as rock concerts, festivals and office electronic equipment. Membership organizations like the COZM women’s association form a second category of NGO, providing services to their members and at times advocating for their interests. Health or disability-related groups form a similar sub-type here. The greater number of NGOs that we met, however, tended to be ascriptively based, “primary” associations, focusing on groups defined by age (children’s education), gender (women), ethnicity (Roma communities) or some combination (Albanian women, Roma children). A few of these groups go back some years, but most are fairly recent in origin, dating from some point in the 1990s or even later, when the greater freedoms coming with independence allowed them to form and donor funds helped make it feasible to do so.

TABLE 1
Civil society organizational types and their roles

	Type	Role	Examples in Macedonia
Informal, not registered as NGOs	Informal citizen groups, may be ad hoc or long-standing, organized around some specific activity (sports, school)	Accumulate basic social capital; provide social services	Confidence Building Units in CBI; many PTAs
	Quasi-formal organizations, esp. Neighborhood Units	Mobilize citizens in immediate area for common needs, some representtative function vis-à-vis LG units, also lubricate social capital	Neighborhood Units
Usually registered as formal NGOs	Formal sports/cultural associations, registered as NGOs	Provide services to members, rarely act as advocates.	Sports clubs; some youth NGOs
	Membership organizations (occupational, professional), usually registered	Provide services to members, can advocate for constituency	Journalists association
	Service-welfare NGOs organized by families of victims (drug/alcohol abuse, HIV/AIDS), or by constituency itself (pensioners, war veterans)	Provide services, lobby state to provide services, often make up gaps themselves	Anti-Cancer NGOs Some “old-line” NGOs
	Ascriptive organizations, representing categories of people defined by gender, ethnicity, disability (and generally disadvantaged thereby)	Provide services, advocate group interests, frequently in combination (e.g., education for handicapped minority girls)	Most of the NGOs in DNP; some CBI & CSHI beneficiary NGOs
	Public interest or “trustee” organizations, usually (but not always, e.g., environment groups, animal rights) lacking membership bases	Advocate public interest causes such as human rights, environment, anti-corruption, which do not have constituencies acting in their own interest	Democracy – Election NGOs Environment NGOs
	ISOs (intermediate support organizations)	Offer support services, technical assistance to other NGOs, on fee-for-service basis	MCIC. FOSIM in some activities
	NGO umbrella organizations	Represent NGO community to local or national governments	Union of Women’s Organizations

A small number of NGOs can be grouped as “trustee” associations that claim to act in some public interest that cannot represent itself, such as the environment, animals or human rights victims. Still fewer are the last two types in Table 1. NGOs offering services to other NGOs — usually called “Intermediate Support Organizations” or ISOs in the development community — now have at least two representatives in Macedonia (MCIC and FOSIM, both organizations that have taken on this function as a sideline to their other activities). Finally there are “umbrella organizations” that represent the whole NGO community or perhaps a sector of it like women’s NGOs to local or national government as advocates, while also serving as networks to facilitate exchanging experience, best practices, etc., between NGOs. With the exception of the Union of Women’s Organizations, which tries to act as an umbrella on a continuing basis, this kind of organization has so far come into being only sporadically as temporary coalitions.

Another distinction can be made between “old line” and “new line” organizations, with the dividing line being the end of the socialist period in 1991. Survivors of the state-sponsored era, some old line groups representing pensioners have hung on as they were, albeit now in reduced circumstances, while others like associations of the disabled have reinvented themselves to look like their newer counterparts, competing with them by making proposals to donor agencies. Other old line informal bodies that never had much support from the state have carried on more or less intact, such as the NUs or many local sports associations. The majority of groups we met, however, are “new line” institutions that have come into existence since 1991.

HOW CIVIL SOCIETY ORGANIZATIONS SEE THEMSELVES

In this subsection we examine the results of the data from 107 respondents representing both NGOs and NFOs in three cities and surrounding smaller municipalities: Bitola, Kumonovo, and Tetovo. We also present data from 27 NGO representatives only from the eastern Macedonian city of Stip.

The Respondents

The respondents do not constitute a random selection of NGOs and NFOs in the regions; they do represent those that have been most active in securing grants or project funding for their organizations and communities. They were selected from grant and project lists supplied by CBI, CSHI, DNP, and FOSIM, using local key informants from these organizations to recruit as many as possible. NFO representatives come largely from neighborhood units and schools from nearby smaller municipalities that had been involved in CBI and/or CSHI projects. Separate sessions were held for NGOs and for NFOs. The respondents were assembled in one place, where a questionnaire was administered, followed by breakout focus-group-type discussion sessions guided by 5 general questions.²³ Overall, we were able to recruit 134 participants to our group sessions, as indicated in Table 2. In our first three locales, they were divided more or less equally between formal NGO representatives and members of NFOs, while in our last site, Stip, we met only with people from NGOs. Of our total 134 participants, 98 or almost three-quarters

²³ The Questionnaire and Discussion group questions were available in Macedonian and Albanian languages. The sessions were directed by team members Ilo Trajkovski and Mihailo Popovski, who provided common definitions and answers to respondent questions. An English version of the questionnaire and focus group protocol will be found in Annexes E and F.

were from the four major regional towns themselves, while the remaining 36 were from outlying municipalities.

TABLE 2
Group session participants by associational type and location

	Bitola	Kumanovo	Tetovo	Stip	Total
Formal NGOs	29	15	12	29	85
Informal NGOs	27	10	12	0	49
Total	56	25	24	29	134

Gender

The proportion of men to women representatives was unexpected, as we anticipated somewhat greater representation from women than men, along the lines we have observed among NGOs in other post-Communist countries. As seen from the table 2 below, men representatives constituted almost 58 % of the respondents. Interestingly, the NGO representatives run in the direction we expected, with somewhat more than half being women, while the NFO people were overwhelmingly male, perhaps reflecting the more traditional background of the Neighborhood Units so many of them represented. A similar split emerged when participants from the four major towns were compared with those from outlying municipalities. Of the latter group, only 5 of the 36 were women, while among those from the larger towns, 52 of the 98 were female.

TABLE 3
Organizational status and gender

	Male	Female	Total
Formal NGOs	36 46.2%	42 53.6%	78 100.0%
NFOs	41 73.2%	15 26.8%	56 100.0%
Total	77 57.5%	57 42.5%	134 100.0%

Continuity of Engagement in Civil Society

The assumption in much of the donor community is that the great bulk of CSOs got organized during the crisis years of 2000 – 2003. DNP and CRS had been active grant makers along with FOSIM and MCIC prior to that, but the level of investment increased dramatically and especially in the conflict areas after 1999. We asked respondents to indicate the date their association was formed, not the date it was legally registered. The results were surprising, as shown in Table 4.

TABLE 4
Period of establishment for formal and informal organizations

	<1991	1991-1998	1999-2000	2001 & +	Total
Formal NGO	11	28	21	18	78
	14.1%	35.9%	26.9%	23.1%	100.0%
Informal NFOs	15	12	5	24	56
	26.8%	21.4%	8.9%	42.9%	100.0%
Total	26	40	26	42	134
	19.4%	29.9%	19.4%	31.3%	100.0%

Several unanticipated observations emerge from analyzing the data on when our respondents organization was established. Nearly 20 % of all organizations were established before independence, with NFOs showing the higher percentage at 26.8%. On the other hand, 62.8 % of the NGOs were formed in the 9 year period after independence, while only 30.3 % of the NFOs got established during this period. The rapid growth of NFOs after 2000 reflects the fact that we recruited our NFO respondents from CSHI and CBI project participants and their formation may have been stimulated by those programs.

The number of NGO respondents who date their activity to the pre-crisis period suggests that groups formed during this period have had a better survival rate than might have been expected. With the exception of the CBI/CSHI-related growth spurt, the data suggest that the diverse array of donor programs over the years has allowed a substantial number of formal NGOs to sustain themselves over the previous decade.

Also surprising is the number of representatives who date their activity to the pre-crisis period, suggesting that groups formed during this period have had a better survival rate than might have been expected. The data also support the general impression that much of the CSO growth dates from the 1999 period and later, with over 47 % being established in that time frame.

Service and Advocacy

We asked people representing both NGOs and NFOs to identify the main categories of activities their organizations were engaged in, including categories suggested in the USAID SOW: community based, service delivery, membership based associations, public interest advocacy, umbrella and intermediate support organizations. Recognizing that most organizations would not perceive themselves as any single type, we permitted multiple answers. Each category was explained to the respondents in the same way in each site.²⁴

The interesting finding from this question is that while Service is the category with the most mentions, almost 21 percent of the representatives see their service CSOs as being engaged in

²⁴ A table giving our respondents' answers will be found in Annex G, Table A.

some form of advocacy, although mostly at the local level. With the exception of Kumanovo, which ranks Service, Membership, then Service and Advocacy in that order, Bitola, Tetovo and Stip all rank Service and Service and Advocacy as the most prevailing descriptors of their CSOs. Trustee or Public Interest advocacy was not an important category, but if all advocacy categories are summed, the data show that 32% of the respondents see their CSOs as engaging in some kind of representational activity vis a vis government and the local community. Follow-up interviews suggest that much of this activity is oriented toward raising awareness and organizing efforts for change, but interaction with local authorities on issues of interest to the group's clientele seem to be on the increase.. This finding suggests that among Macedonian NGOs and NFOs, the greatest potential for advocacy is in connection with practical service issues related to the various CSO target groups. The relative weakness of the "trustee" type organizations suggests that there is less current potential for stimulating advocacy for these types of issues, beyond what is already in place.

EFFECTIVENESS OF CSOS IN SERVING FUNCTIONS LEADING TO DEMOCRATIC DEVELOPMENT

The SOW identifies five major functions that CSOs are expected to perform in support of a democratic society.²⁵ These are:

1. Stimulating citizen interaction and forms of associational life, including inter-ethnic cooperation and dialogue.
2. Encouraging local self-help actions and citizen driven initiatives.
3. Promoting inclusive LOCAL participatory processes between citizens and local government.
4. Increasing citizen participation in public policy debates (engagement at local and national level.)
5. Increasing CSO and citizens influence on public policy OVERSIGHT of public institutions at local and national level.

It is difficult to separate out the direct and exclusive impact of USAID programs from the more general effect of multiple donor program spigots, the location and manipulation of which has become a fine art for many NGOs and mayors in smaller municipalities.

Our analysis below reflects the impact of this array of donor investments and differing donor programs and support styles, although where we see a more direct relationship to USAID programs we will identify.

Stimulating Associational Life

A thorough assessment of how and to what extent CSOs stimulate citizen interaction and forms of associational life would require a more intensive research methodology and a longer time frame than was available for this assessment. The Ministry of Justice registry certainly shows a rapid and continual increase in the number of registered NGOs. MCIC estimates that there has been a 20% increase in the last year. What is propelling these remarkable numbers is a matter of

²⁵ SOW in Annex C, Section 1.2a.

speculation, most of it cynical or negative having to do with attributions of a prevailing “there is money to be made” opportunism.

In our non-random sample of NGOs and NFOs, we asked respondents to express their disagreement or agreement with the statement “Compared to 1999, People and CSOs are more willing to solve community problems by working together”. Only 13% expressed disagreement or said no change in response, while 82% either completely or somewhat agreed. The difference between completely agree and somewhat agree was generally in favor of “somewhat agree”, with 55% of the respondents marking this response.²⁶

In respect to inter-ethnic cooperation, 63% of our respondents concurred completely or somewhat with the statement that since 1999 people and CSOs in this area are “more cooperative and tolerant working with different ethnic and religious communities, while 37% were not certain or disagreed with the statement. Of those who completely or somewhat agreed, more than half said “somewhat”. It is apparent from these responses that while a majority do believe people are becoming more cooperative and tolerant, it is a substantially smaller percentage than the proportion who agreed in the more general statement that people were more willing to work together. This suggests that progress has been made in promoting interethnic cooperation, but that it lags behind the overall improvement in willingness to work together.

In follow-up interviews NGOs generally agree that there has been an increase in volunteerism and especially a willingness to participate in events involving children. For the women’s NGOs, observers and leaders alike point to the large number of women’s organizations, many of them originating from ethnic affiliations, and the extent to which they have cooperated across ethnic lines on issues such as the campaign to get women elected to Parliament as evidence of growing inter-ethnic cooperation.

Looking at the pattern of inter-ethnic activities pursued by NGOs, in Tetevo and Kumonovo, Macedonian and Albanian groups have jointly sponsored multi and inter-ethnic events with donor support, including rock concerts, sports events, and supplemental education programs for children. These efforts have no doubt contributed to the reduction of fear and anxiety between the two groups, along with much larger forces such as the security work of OSCE and the hoped for implementation of the Ohrid Framework Agreement. However, we saw only one NGO that was organized by a Macedonian and an Albanian working together, and these two young persons had been high school and college friends.

Working together in a small place

Far to the East near the Bulgarian border, 6 NGOs began working together to form the rudiments of an NGO support program, subsequently with funding from ISC. Two of the groups were Roma organizations. We met with them for several hours. As they were introducing themselves, the Roma Women’s organization leader, a petite woman with a big smile said: “We are Roma and have been here a long time. There is no discrimination here.” In meetings like this one is never certain about how much is propaganda and how much is real, so some discounting is probably necessary, but the impression one got as the discussion went on was one of genuine cooperation among the organizations. Another NGO leader said: “we have had our conflicts, but we have learned to work together.”

²⁶ Table D in Annex C gives the details supporting the analysis in this paragraph and the next one.

As we shall see with regard to other functions reported below, the NGO and NFO representatives believe, perhaps with some sense of hopeful caution, that citizen willingness to get involved has improved since 1999 and that citizens are at least willing to make the effort to solve community problems through cooperation and mutual self help. They quickly add that this is still a very difficult process that one cannot force too quickly.

To probe this question in greater depth with regard to NFOs, the team visited 9 smaller municipalities selected because they had received one or more CSHI and CBI grants in the same community. . These grants ranged from school repairs and potable water system rehabilitation to a fish pond. Some of the grants were “equipment drops”, while others involved substantial commitment of citizen labor.²⁷ These communities had few NGOs, and in no case did we find the NGOs that were there visibly engaged with the CBI and CSHI project activities.

Most of the citizen participation that was observed or reported was based on Non Formal Associations. These associations tend to have their roots in the history of the community. We have already noted the number of associations, mainly non-formal, that were formed before 1990. Many atrophied or became inactive in the early and tumultuous years of the transition and crisis, but were there to be stimulated as needed by grants from the donor community. The leaders of these groups tend to be men, often school teachers, principals, elected heads of neighborhood units, and municipal council members. In some communities, a Parents council had been formed by earlier grants from the Catholic Relief Services (CRS) program, which then became active in mobilization and problem identification processes required by later programs such as the USAID funded CSHI and CBI programs.

Our tentative conclusion about increased citizen interaction and associational life is that there has been an increase in purposive action along with a modest optimism that this will lead to some material benefit for the community or the school or the group being served. Most of this optimism is propelled for the present by the availability of donor project funding, which some communities and NGOs have proven quite adept at finding and securing. Whether new patterns of citizen interaction will be sustained after donor withdrawal depends very much on whether other sources of support emerge. Here, most NGO representatives are more pessimistic in discussion group sessions, saying that most NGOs would disappear or would have to substantially reduce their activity and visibility if donors were to withdraw all support in the near future.

Encouraging Local Self-Help Actions and Citizen-Driven Initiatives

The formation of 5500 NGOs should be an indicator that “self help” and “citizen-driven” initiatives is enjoying a renaissance. We could find little data on the composition or activities of the 4500 such organizations that did not respond to the MCIC directory survey in 2002, and while most observers state that most of these “NGOs” are simply low risks efforts to find grants which, failing that, remain more or less moribund, our interviews with ISC did not support the finding that thousands of NGOs are applying regularly for grants. It may be that some goodly number of these invisible NGOs are modestly active, surviving on a combination of volunteers,

²⁷ CSHI and CBI are in the final stages of more structured evaluations using sample survey questionnaires to assess effectiveness and impact. It would have been helpful to have the results of these studies in the preparation of this report. Lacking that, we must rely on the evidence gathered from our limited number of site visits, each lasting two to three hours.

membership fees, and small donations from local sources. The evidence we collected on local support for self help initiatives from NGOs and NFOs provides some evidence to support this speculation.

The questionnaire data support the general proposition that CSOs are able to mobilize volunteers and other forms of support from members, local business, private sources (often affluent family members, especially in Tetevo) as well as a modest level of government grants and other material support, such as an abandoned building.²⁸ NGOs confirmed this in discussion groups when they observed that without donor support, many would disappear, but a number would continue at lower levels of activity.

This kind of engagement and self-help initiative is a stated objective of many donor programs that provide grants and/or direct project management for local institutions and municipalities. The recently completed evaluation studies by CSHI and CBI will provide survey data that should help determine whether these results have occurred. Our research findings are conditional but may have some value. We have tried to understand how well the CSHI process fits with the probabilities of achieving the “process” results promoted by the project literature.

We found that citizen engagement was a feature of most of the project CSHI and CBI projects, but that the process of mobilization, priority setting, and engaging people in the implementation work was very much the product of the mayor’s leadership or that of other authority figures, especially school principals. This finding suggests that where local authorities take a leadership role, citizens will engage. But we found no evidence that citizens take initiatives beyond what the leadership supports and helps to organize, or that local communities and neighborhoods are transformed into bee-hives of self help actions.

The reasons for this are obvious if one considers the conditions under which local self-governments must operate and how the CBI – CSHI process interacts with this level of government. First, citizens don’t think of this local level as “government” in the same way they consider the STATE organizations operated by the national government. Second, local self governments have little authority and less budget, which means the array of choices that can be made are very, very limited. Third, the mayor is from the community and knows the people. However limited his “competencies” he is the one who won the election. A positive sign is that some ineffective mayors were thrown out. Citizens may be learning to expect something from local leadership, and that is a good sign for the political process. Fourth, the primary needs of the communities are readily apparent to any observer. When a water system built in 1974 no longer functions for a few hundred souls, it doesn’t take too much weighty discussion to reach the conclusion that it ought to be fixed. The real job is to find the money, get the technical specifications in order, and complete the negotiations with the donor. There is little room in all this for citizen priority setting. Moreover, once the application to CSHI is submitted, it may be a year before anything happens. Even if citizens were engaged, it would be a real stretch to expect them to remain excited for one year while waiting to find out if the project is going to go forward. Then we would hope them to take the next step and engage in serious monitoring of government procurement and implementation, but in both CBI and CSHI, these functions are almost completely the domain of the implementing agency, so there is virtually no meaningful chance to monitor anything.

²⁸ Detailed responses will be found in Annex G, Table B.

We conclude that there is evidence of increasing engagement, citizen mobilization, and even citizen support for NGO and NFO activities. These are positive steps along the path toward building social capital and an active civil society. These emerging patterns will need considerable reinforcement to become a way of life for most Macedonians. If the decentralization of real authority and budget to local governments is realized soon, the conditions could be set for developing the kind of nexus between local government and citizen activism that would be self-perpetuating. Right now, there is not much evidence that this second wave is occurring. Unless there is repeated and generally positive reinforcement for citizen engagement with local authorities in community development, it is likely that enthusiasm will wane, and passivity, resignation and basic survival strategies will prevail.

“Bread and Salt”

After meeting for nearly two hours with a group of citizens, teachers, neighborhood unit leaders and the school principal discussing how they were involved in the rehabilitation of their school (the mayor had been a teacher at the school) in a CSHI project, the Principal adopted a very didactic, speechmaking voice, thanking the USAID for the project, saying how it had built confidence, and how people had worked hard and were pleased, etc. Then he said: “Next time, we would like more control of the project. We need to have some responsibility for managing the contractors.” A neighborhood unit leader picked up on the theme regarding a small IOM/CBI project, saying the contractor has abused the trust. When asked, what can citizens do if things go wrong, there was silence, then someone shrugged and said: “back to bread and salt” — a phrase we later learned is a Macedonian expression referring to basic survival strategies people pursue in hard times.

CITIZEN PARTICIPATION, INFLUENCE AND OVERSIGHT OF LOCAL AND NATIONAL GOVERNMENT

We discuss the next three questions under a single heading. The interlocking nature of the evidence that can be advanced on these issues would require a certain degree of artificiality and redundancy to discuss as separate features. Indeed, the responses to our formal questionnaire tend to indicate that the distinctions between participation, influence (power) and oversight (monitoring) are not too meaningful for most local NGOs and NFOs.

All four groups were asked whether they agreed or disagreed with statements about more CSO activity in presenting issues (voice), convincing authorities to act (power), and working jointly (cooperation) with government to improve local conditions. We did not ask about national government. Bearing in mind that local NGOs generally don't have much regard for the local self-government's ability to do much to deal with serious issues, the answers were overwhelmingly positive: 75 % agreed that compared to 1999, CSOs had more voice and were working cooperatively with government. When it came to influence, the percentage dropped somewhat to 67%, with a slight majority in Stip saying there was no change or that things might be getting worse.

In discussion groups and follow up interviews, the picture that emerged was slightly more complex. We have already noted that most people are aware that local self-government has very limited power to make even local “policy”, so the question is moot at this level.

The main point made by local NGOs especially, is that local self government could do more to help the NGOs, which is a different proposition than influencing government on policy issues. Here the NGOs were talking about getting access to free space, utilities, maybe a small grant or support from the mayor's office for the NGOs effort to get foreign donor grants. Some mayors and Councils do find ways to be supportive. In Bitola, the local self government has a paid NGO advisor, is developing a small grant program, and has provided space to at least one NGO, an ISC grantee. In Kumanovo, the mayor is a well-known activist who works pro-actively with the NGO community and any other force that can bring stability and economic benefits to his municipality. In Kumanovo, for example, the Local Government Reform Project's Citizen Information Center is actively assisting NGOs and making referrals to them. In Tetovo and especially in Stip, the interaction between the mayor's office, and the CICs is at a much lower level. In Stip, when asked if they ever referred citizens with problems to any of the NGOs in town, the CIC staff said rather flatly, our referrals are all to the State Ministries.

We searched for evidence that government funding was beginning to support NGOs, but found only one Kumanovo NGO that claimed it has received grants from the Local Government and the Ministry of Culture. In Stip, the Babylon Center mentioned that it was receiving government support through the Agency for Youth and Culture, but the respondent thought this was World Bank funding. Whatever local government may think of the value of the development of CSO organizations, it is apparent that little or no funds from the famously resource poor local governments are going to support CSO activity in the towns we visited.

There is little organized oversight of the even limited government functions at the local level by the current NGO community. A journalist in one town told us he had tried to start up an NGO that would monitor and call attention to inefficiency and possibly corrupt practices at the local level. He received little interest or support from the local NGO community or from citizens, and abandoned the effort. In another town, the local radio station told us of a health situation that affected six kids living all in the same block. They had developed Hepatitis from bad drinking water. The station had hoped that the NGO community would respond by organizing to hold the public utility responsible for letting the problem develop. According to the station, local NGOs showed no interest in the issue. Several media persons said that NGOs want to have better coverage of their activities by the media, but that most NGOs are very reluctant to engage in broader, public issue activities or to cooperate with the media in this 'oversight' role.

We asked our respondents who their principle beneficiaries were, offering as one of the possible responses "persons who care about social and policy issues such as drugs, environment, human rights, etc.". Only 20% responded "people who care about social and policy issues...". This suggests that most NGOs are more interested in providing services to a clientele such as children or disabled folks, or to their membership, such as Roma Women, then in broader public issues at the local level.

We did find evidence of protest movements leading to the establishment of NGOs in some cases, or the result of efforts by NGOs in others. The most recent example was a phone rate increase protest, started, we were informed by trade unions, but picked up by NGOs. The effort was abandoned after some high visibility protest actions. In another case, deposit holders in a bankrupt bank organized to fight for reimbursement from the government for their losses. We were advised that this was very effective for a time, involving some 12000 'members'. The

movement split when an offer was made, and dispute arose over whether to accept the offer or hold out for more.

THE MAYOR IN THE CONTEXT OF LIMITED AUTHORITY AND RESOURCES

In almost all cases we observed involving community infrastructure projects, the mayor of the municipality played a key role in identifying project priorities based on his more or less continuous interaction with people in his municipality, and in mobilizing people for meetings required by the donor officials when visits were paid to the municipality. This was especially true in the smaller, more rural municipalities we visited. The mayors had access to information about donor programs through ZELS and other sources, and were generally in the best position to broker the relationship between donor program priorities and the priorities of the neighborhoods in his municipality. Since the first few rounds of these priorities were fairly obvious and received wide spread support, it was not too difficult to reach consensus on what needed to be done. Potable water systems, schools, trash collection systems, roads and parks have been allowed to run down in most smaller municipalities, and their repair and rehabilitation could, in most cases, be achieved through the astute combining of the small grant programs available from MCIC, CBI (in conflict regions), CSHI, and other donors, especially European bilateral assistance. While this piecemeal approach may not be the best way for the efficient repair of failing infrastructure, it does seem to separate the lethargic mayors from those who know how to be entrepreneurial.

The Mayor as Broker, Facilitator and Project Entrepreneur

The municipality of Karbinci occupies a flat agricultural plain drained by the Bregalnica River in eastern Macedonia. About 4800 people live here practicing agriculture for the most part. Located about 16 kilometers from Stip just off the two lane highway from Stip to Kocani, Karbinci is enjoying something of a “infrastructure rehabilitation” mini-boom, thanks in large part to the efforts of the two term mayor. Supported by five donor grants from Phare and MCIC (watersupply), a Japanese agency (ambulance), UNDP (playgrounds), UNICEF (youth) and CSHI (trash collecting equipment), the mayor is also collaborating with EU CARDS and MCIC on a fecal waste water filtration system, and regionally with the Ministry of Environment and a German group on a “clean the river” program which includes a solid waste disposal and treatment system. Asked how he managed to do so much, he said “After the elections are over, I represent the community. Mayors are from the community and we know the problems, he went on to say. Besides, I am a former agricultural engineer, now returned home to be a farmer. I know how to do things, but many mayors do not.” He hopes that CSHI will approve an application for one of the remaining potable water rehabilitation systems. Why do you work this hard? His reply: “I want to leave a legacy when I am finished”.

CULTURAL AND STRUCTURAL CONSTRAINTS IN MACEDONIA AFFECTING CIVIL SOCIETY AND NGO DEVELOPMENT

Attempting to get behind the usual criticisms of CSOs, we probed for explanations and causal factors that might explain why NGOs in particular, but civil society in general, seemed so weak and poorly regarded in Macedonia. As we have already demonstrated, the rather bleak picture portrayed by many should be balanced against evidence of positive change, and the perspective of the relatively recent time frame in which civil society has developed in Macedonia.

There are a number of factors that Macedonians and foreigners' advance that appear to severely constrain or influence citizen trust, participation, and the willingness to form groups for common purposes. Most of these emerged in one form or another from the field and documentary research for this report. We set out here a compendium of these structural and cultural constraints in no particular order of importance or priority. This compendium reflects the aggregate of many conversations and group discussions; they are not attributed to any one source for reasons of confidentiality.

Poverty works against the creation of social capital and trust. Macedonians consistently and understandably rank economic and social welfare issues as the most important problems they face, followed by crime, drugs and corruption. When life is a struggle and many suffer from a decline in social status as well as material impoverishment, there is little left over for compassion, trust and collective behavior. The NGO efforts to provide assistance are perceived as well meaning, but largely futile. As one NGO leader put it, "our target groups are too small to make a real impact".

Entitlement: Under the socialist system a "job" meant a position with security, health and housing benefits, access to recreational benefits, and a modest but dependable income. Being a citizen in the socialist state meant an entitlement that the state was expected to fulfill. This expectation continues, especially for older citizens. Having "employment" in the new enterprise economy falls short of meeting the entitlement standards. For the "old line" NGOs that were part of the party/state apparatus, the reduction of state support for many has been a bitter blow. Some have made the transition, but most have not. For new line NGOs, especially the ones formed in the 1990s, the expectation that the "state" or local government should "provide support" is often voiced, suggesting that even here, entitlement expectations continue to operate.

Money, the smell of corruption: In an economy where having a source of ready income from legitimate sources is the exception rather than the rule, it is not surprising that there are ambivalent and contradictory attitudes toward money and volunteerism. Being a volunteer had a negative connotation in earlier times, but citizens and many donors tend to believe that NGOs should be led by selfless volunteers who are genuinely committed to good works. If money is involved, then there must be some other motivation at play. And since money is in such short supply, those who do get it are the subject of envy and speculation about corrupt practices. The conclusion often voiced is: "NGO leaders who get grants to do their work are simply in it for the money." This charge is frequently heard from foreigners, local staff of donor organizations, and from many NGO leaders as well.

Professionalism: At the same time, many donors, local government and NGO leaders criticize NGOs for lack of competence, consistency, ability to deliver needed services, etc, none of which can be addressed without money to pay salaries of some professional staff, conduct programs, pay overhead costs and the like. Many if not most donors are unwilling to provide support for anything other than direct program costs, leaving the task of finding overhead and core costs to someone else. When investments in managerial competence and organizational development of NGOs are made, and the NGO becomes skilled at preparing proposals and getting grants, these "professionalized" NGOs are accused by some of losing their Macedonian roots by aping Western organizational structures and values.

Ethnic divisions: Ethnic stereotyping is not unique to Macedonia, but it is prevalent and does create a barrier to cooperative behavior on issues that cut across ethnic lines. Many NGOs in Macedonia since the crisis have striven to bridge ethnic divisions, but very few are truly “multi-ethnic”, especially at the local level. Some Macedonians argue that there has been too much money invested in developing minority group NGOs to the detriment of other cross cutting interests or, more darkly, of those NGOs who represent the “majority.”

Strong Leader: Most NGOs are the creation of strong leaders who see little immediate value in internal checks and balances through democratic processes, assuming they have a membership. NGOs are not “model democracies”, even though they may be effective. Relatively few have made the transition to a second generation of elected leadership. Most lack an active membership or a well-defined constituency or clientele. This undermines both their authority and their legitimacy, and to some degree their own self-confidence in the long term value and sustainability of the NGO. Non-Formal associations seem to be somewhat more grounded in a place, and more open and consensus oriented at the local level. In these groups the strong leader principle also operates. In smaller more rural municipalities, it is the active mayor or school principal who gets things done, largely by knowing how to bring in foreign resources. What is new is that citizens can and do defeat mayors who are unable or unwilling to find the external support critical to any kind of infrastructure rehabilitation.

Fatalism: passivity, “we can’t do anything” attitudes are deeply engrained in a society where power has always been in the hands of someone else, whether the Ottoman Empire or the Party. Efforts to instill confidence, stimulate initiative, and induce problem-solving behavior are often resisted, especially if obstacles emerge.

Citizenship as a bundle of rights and obligations to act for the common good, participate in the polity, and expect accountability and transparency from government is not well understood and engrained.

Migration: In smaller towns and villages, young people migrate out, especially Macedonians with more mobility. Much is made in Macedonia about the value of the younger generations to the future of Macedonia...and it is clear from this research that many of the “new line” NGOs are staffed by men and women under 35. It is also true that more than a few NGO leaders and Macedonians who work for donor organizations learn the skills and gain the visibility that can open up attractive opportunities for study and migration abroad. This migration is seen by some as a constraint to the long term sustainability of NGOs, and the institutionalization of competent leadership. Enough Macedonians have immigrated to form an organized “diaspora”, which is in a position to help out with the resettlement process. Young people from Bitola talk about leaving for Australia. In Vratnica, the 4000 locals living in Canada exert a powerful pull on the young.

Personalism: The cultural of personal/family/school-town cohort relationships remains strong and provides an alternative source of security, identity and social welfare, reducing need or propensity for collective action for common benefit. Problem solving tends to be achieved through personal relationships.

Philanthropy as consistent giving (tithing): There is little tradition of cash giving by business, and no tax law to provide incentive to do so (though tax law usually not enough to promote public

giving). There does seem to be a willingness on the part of business and some government to provide “in kind” material support, often in the form of unused space.

Disconnect: Most NGOs appear to be local, while government power is centralized. At present, local self-government has little power and fewer resources available to it to address the needs of the community. Local governments that do recognize the value of organized NGOs have little to offer beyond decrepit buildings and moral support.

Getting Things Done in Bistrica

Near Bitola we met with the mayor and three councilmen from the small municipality of Bistrica. The mayor, a mechanical engineer, was uncertain about the population, but he knew he had 5705 voters. The population had declined since 1981, when about 12000 people lived in Bistrica. As Macedonians left, the percentage attributed to the Albanian population increased to now 20%, according to the mayor. Now, people from Bitola are building new houses here. The key problem for most of the 21 neighborhoods in Bistrica was and is potable water. Some have never had it, some small systems have become contaminated, the river is no longer clean enough to take water directly from it, all three reservoirs needed repair. He said we have done a lot since he was elected. Now all but two villages have some connection, but the system is not nearly complete. Asked how he had done this, the mayor said we did one small system with our own funds, but mainly we have received grants and aid from donors. He proceeded to name 10 different donor sources for his water projects, and 3 more for his schools. He said we have done over 12 out of 17 schools. He said for water systems the French and Norwegians were first, then the Swedes, MCIC, CBI, KFV through a Government ministry, and then CSHI. For schools Dutch CARE and CRS were most active. He added that at first people were very skeptical that anything would happen, then, when it came to working: “every house was opposed to giving volunteer labor”. Now, he laughed, “They are very active; they are in here all the time.” Asked about which donor had the best approach, he said all were helpful, but we get very impatient because we know what is needed. He said CBI and Dutch CARE had the best approach: “very professional and, once the negotiation was done, very effective and fast.” He was less enthusiastic about CSHI, referring to the length of time, the time consuming procedures, and the requirements for more technical studies. “It took more than a year from application to implementation.” Asked if they could handle procurement for these systems he said, “Of course, we do it all the time. It would be a lot quicker.”

3. MAJOR FINDINGS: USAID STRATEGY EFFECTIVENESS AND INSTITUTION BUILDING ISSUES

In this section we address the effectiveness of USAID strategy for strengthening civil society, as requested in the SOW for our assessment. In the course of our work, we developed several other findings relevant to our overall task, most of them dealing with various institutional constraints on civil society. We will discuss these related issues as well.

THE USAID STRATEGIES

In Section 2.1 of the SOW, “Program Review,” USAID has asked the assessment team to focus on three programs: the Democracy Network Program (DNP) as implemented by the Institute for Sustainable Communities (ISC), the Community Self Help Initiative (CSHI) implemented by Louis Berger, and the Confidence Building Initiative (CBI) implemented by USAID’s Organization for Transitional Initiatives (OTI) with the International Organization for Migration (IOM). As per the guidance provided by USAID Macedonia, we should again emphasize that our

purpose is not to evaluate these programs or to provide USAID with detailed descriptions of program activities. These details are well supplied by USAID- and OTI-required work-plans, quarterly reports, annual reports, and success stories. As for evaluations, DNP has been recently reviewed (Cook et al., 2002), and the other two programs are currently being scrutinized under a mid-term review for CSHI and a final evaluation for CBI.

Our charge is to examine the strategic underpinnings of the current civil society programs, including the extent to which they overlap; outline the strategic differences between the programs, and “highlight their unique contributions toward promoting local and national democratic development”, with special reference to the 5 goals/questions raised in section 1.2 a. of the SOW. These 5 goals have been addressed in the previous section, so we will refer back to those findings as needed in the text below. In this section our primary purpose is to address the achievements and limitations of the programs with respect to issues raised in 2.1.a. of the SOW. Do USAID supported programs produce:

- Sustained levels of community participation and continued citizen engagement?
- Lasting, systemic changes to the social/political system at either the local and national level?
- Continued CSO activities following the completion of USAID assistance?

The assessment guidelines also seek the team’s observations and conclusions on the following points:

- Do USAID programs generate dependency or contribute to lack of sustainability?
- Are CSOs able to attract additional funding?
- Are a diversity of CSO types and interests being supported?
- Are synergies with other USAID programs being realized?
- What are other civil society donors doing and is there overlap with USAID?

The evidence we advance to answer these issues and questions will be based primarily on a “bottom up” approach based on answers to questionnaires, focus group discussions and visits to USAID funded projects and grantees. As described earlier in this report, we have made a deliberate effort to select NGOs and NFOs that have received support from one or more of the three main USAID programs. The discussion of NGO/NFO typologies and effectiveness already presented reflects the purposes, activities, and constraints of a variety of organizations that have experience with USAID, as well as with other donors. We feel justified, therefore, in following the SOW’s dictum: “identify a vision for civil society based on the views of Macedonians.” In our questionnaires, our discussion groups and in depth interviews we asked respondents to tell us about their vision of the future and to give us their recommendations for improving the assistance provided by the donor community. In what follows we report on and try to make sense of that “voice” of the Macedonian NGOs and NFOs.²⁹

²⁹This line of inquiry surprised many of our respondents. They were prepared with brochures and set speeches about their organizations and activities, along with their aspirations for this or that project, hopefully to be funded by a donor grant. It took a while to get them to think about the more general issues raised by this assessment. Not all were able to respond, some warmed to the task with surprising results. One leader said at the end of the discussion that she had never had this kind of discussion with a donor representative. That’s too bad.

About strategies

If we are to examine “strategic underpinnings”, we should at the outset say what we think a strategy and its underpinnings are, in theory at least. Strategies are a social entity’s (government, business, NGO, military, Mafioso) purposive guidelines, usually written but not always, about the nature of a problem, the level and type of resources and the organized deployment of those resources for the purpose of achieving a medium to long term solution to the problem or achievement of a desired outcome. A strategy is not a set of operational tactics or short term plan...good strategies function to guide overall actions, not micro-manage tactical operational decisions. Strategies may be found at many levels of social and political organization, in businesses, and in the minds of individuals.

The good strategy has to meet the following tests:

- Is the analysis of the problem correct...do we understand the causes of the problem, the dynamics of the problem, and major constraints that must be overcome?
- Have we assessed the risks of doing nothing, or of failure to take action?
- Have we assessed the adequacy and appropriateness of the resources available to us?
- Are we confident that these resources can be deployed and brought to bear in a coordinated, focused and effective manner on the key dimensions of the problem.
- Do we have a realistic time frame available to us in which to achieve results?
- Given our resources, deployment capabilities, and the time available, is the goal realistic, can we achieve it?
- Do we have in place a system of “intelligence” that can monitor, gather, process, and get the right information to the right people at the right time. In short, do we have the means to know whether the strategy is working?
- Is the strategy coordinated with and compelling to other potential allies and stakeholders?
- Is the strategy flexible enough to meet the unplanned exigencies that will inevitably arise during implementation?

As we look to the “strategic underpinnings” of the USAID civil society strategy, we will apply some of these questions to our examination and conclusions.

Strategic Underpinnings of the current Civil Society Program

USAID’s current strategic plan for democracy development (SO.2) was issued in July 2001, as the Kosovo and Albanian conflict crisis was beginning to recede. It recognizes that one of the peculiar results of Macedonian independence was a centralization of power in Skopje, and in the hands of a relatively small elite of power brokers associated with one or the other of the dominant political parties. At the same time, two parallel quasi governments began to emerge. One quasi-government was the Macedonian Mafia, which controlled a substantial portion of the underground economic wealth of the nation. A second was the more benign but still powerful collection of donor agencies, IOs and IFIs, each allocating resources, setting rules, and expecting performance and accountability.

USAID noted too that ethnic tensions and discrimination against minorities had increased, in part because of the centralization process, in part because the competition for jobs and services was

intensified due to the rapid collapse of the old style economy which relied heavily on public employment to organize distribution of basic needs (housing, health care and education and training). A third proposition was the absence or immaturity of both public institutions (a professional civil service) and civil society associations that could actively represent citizen views, influence the policy agenda of government and exercise effective monitoring and oversight of government actions in all spheres, economic, social, legal (rule of law) and political (elections and parliament, etc). At bottom, USAID asserted that the most fundamental change on which much else would depend was a change in the attitudes and behaviors of citizens away from a passive, entitlement mentality towards accepting the role and responsibilities of citizenship in a democracy. Citizens must actively engage in the process of democratic governance if true democratic institutions and processes are to develop and be sustainable. The grease that keeps the relationship between citizens, CSOs, business and government working fairly is a Rule of Law, through which social, economic and political relationships are regulated, adjudicated, and modified when necessary. In all these things, USAID noted in 2001, ten years after independence, Macedonia was lacking. However, if a stable peace could be established, free and fair elections held, greater maturity in democratic institutions and civil society achieved, Macedonia would be able to become a functional nation and part of the European Union and the world community.³⁰

At this writing in August 2003, the peace has held, successful elections resulted in a strong mandate for a new reform government, progress is being made toward establishing the legislative framework for decentralizing power and for reducing the pervasiveness of a “spoils” system for the distribution of jobs, assets and budgetary resources, and work is progressing on establishing more favorable rules for the indigenous support of Macedonian civil society. Civil society organizations have shown that they can organize and support specific and well-identified reforms and tasks, as reflected in impressive mobilization of Macedonian monitors for the 2002 election, and the focused effort by women’s groups to improve the position and hence the chance for election of women on party slates. There are other examples of active CSO participation in national life, but with some exceptions, the ability of the CSO community to do the long term sustained work of public policy advocacy and oversight remains fragile, weak and subject to fragmentation. At the local level, there has been substantial increase in CSO formation and in some communities and sectors, coalitions and networks of cooperation are beginning to emerge, sometimes across ethnic lines, sometimes among groups that share common purposes in different locales. For example, Roma Women are beginning to form networks, cooperation has emerged among environmental, health and other groups affected by pollution, notably in Prilep, a network for supplemental educational activities for minority and majority children, Babylon, is expanding to include 31 centers throughout the country.

These are encouraging signs of maturation. The fact remains, however, that most NGOs at the local level are not actively engaged in public advocacy and accountability monitoring, however much they may aspire to do so. Many do provide valuable services to relatively small target groups, but the over all picture remains one of episodic and incomplete development, vulnerability to the vicissitudes of the donor community, and far too much participation in seminars and conferences and training programs designed to promote skills and behavioral change in a funding environment that cannot or will not support the level of activism, professionalism, and voluntarism that civil society promoters wish for.

³⁰ USAID Macedonia: Amended Strategic Plan. FY 2001 – 2004. July 2001, p38 and passim.

A key element of USAID's strategy is found in its Amended Strategic Plan IR 2.1 discussion positing **Increased Citizen Participation in Political and Social Decision Making** as the desired Result or goal. Three intermediate results, if achieved, are expected to drive the goal level achievement. These are improved citizen attitudes and practices regarding democracy, improved opportunities for citizen participation, and improved citizen access to unbiased information. USAID understands that a strategy cannot stop at stating the desired goals. It must also identify the resources and organizations that will drive the process, overcome the constraints, and mount the interventions necessary to achieve the goal. The resources are the USAID mission budget and USAID's professional guidance; the organizations are the implementing partners.

In oversimplified terms, the strategy expects CRS to promote citizen attitudinal change by focusing on civic education, reformed teaching and more parent involvement in Macedonian schools. Taking the long view, CRS will help to inculcate a new sense of citizenship among the younger generations of Macedonians, and in the process, encourage parents to buy in to the responsibility of helping the schools³¹. The Berger CSHI program will be the primary vehicle for promoting attitudinal change among adults, including promoting through small community infrastructure projects a "...demonstration effect" that will encourage citizen initiative and participation in additional community efforts."³² OTI entered the equation as a rapid response force immediately after the Albanian ethnic conflict in July 2001. Working through and with OIM, OTI had the waiver authority to bypass USAID's normal procedural and procurement regulations. It could move quickly to mitigate conflict and build confidence by getting citizens to focus on what could be done together, rather than what had driven them apart. Starting with "soft" security building and fear reduction projects, it moved to fund harder, small infrastructure and equipment provision projects. Although OTI operates independently of the USAID Mission, USAID envisioned that CSHI would cooperate with the CBI program to mitigate conflict and build citizen confidence in ethnic conflict zones south, west and north of Skopje.

Expanding opportunities for citizen participation would be primarily the function of USAID's DNP implemented since 1995 by ISC. If CSHI and CBI were to be the shock troops for overcoming citizen passivity, DNP's role was to build long term capacity among CSOs for harnessing the new, more active citizenship for sustained public participation in shaping the public policy outcomes of government.³³ DNP would promote a core of 54 well managed CSO partners to serve as models, supporters, and leaders of an ever expanding virtuous circle of synergistic and self reinforcing citizen activism, participation and advocacy.

Wisely, USAID recognized that the achievement of this democratic/civil society nirvana would take some time, so it phrased its strategic language in terms of "more" "enhanced", "improving" and "progress toward," rather than expecting to claim victory by 2004.

³¹ CRS was not included in as a subject in the USAID SOW. However we encountered CRS grants and programs with Parent Councils, often as a precursor to CBI or CSHI grants, and followed-up with an interview with CRS office in Skopje.

³² Op cit, p. 42

³³ Recognizing perhaps,

DEMNET, CSHI AND CBI OPERATIONS (STRATEGIES) EXAMINED

It is perhaps an artificial distinction to suggest that the USAID implementing partners have strategies that are substantially different than USAID. Berger, OIM, and ISC are implementing partners and must conform to the USAID Missions general approach. Although OTI/OIM operates outside the normal boundaries of USAID procedures, it is part of USAID and shares a common US interest in the stabilization of the peace process, a value shared by USAID, the promotion of inter-ethnic cooperation and the stimulation and support of active citizen engagement with government to set priorities and get things done.

Among the three civil society implementers in Macedonia, ISC is the longest standing development partner for USAID. It has a long history of competitive grant making, combined with capacity building training and a variety of efforts to promote citizen interaction with government and, more recently, with the business community. It has since its inception made over 160 grants, mounted countless training programs, trained trainers, and provided support and encouragement to a nascent and fragile NGO sector. It might be considered the Cadillac of NGO support programs, in that it combines training, capacity building and grant making in a reasonably coherent development package for a relatively small number of grantees. We encountered 13 DNP grantees in our research, compared to 60 CBI and 30 CSHI projects.³⁴

DemNet/ISC strategies examined

Being the senior program in USAID/Macedonia's arsenal of democracy development partners, DNP has inevitably had to adjust to changing USAID strategic guidance as well as to the dynamics of the Macedonian environment. It has experienced four distinct phases beginning with Phase I (1995 – 1998) during which it focused on grants and training for environmental organizations, assisting 66 organizations and providing training through 30 workshops. DNP's analysis at the time was that environmental concerns were the major cross cutting issue motivating the emerging NGO community, so it made sense to focus on this issue as one that had the potential for citizen voice, participation, and was reasonably grounded in grass roots concerns. Phase II (1999-2000) saw greater focus and more emphasis on a select group of NGOs in a small number of communities with the capability of developing local environmental actions plans (LEAPs). This process involved other local actors, including local authorities and business. Paradoxically, as DNP was attempting to gain greater focus, it was also expanding the scope of issues it would support from environment to inter-ethnic relations to animal rights and drug abuse as part of the environmental agenda.

DemNet III (2000 to 2003) again refocused DemNet programs into three programming areas: strengthening civil society; community action; and the grants program. The civil society program involved creating a "network" of 43 organizations. The community action program completed 6 more LEAPs, and supported 5 Community Action Programs (CAPs), and made additional grants to 11 other NGOs. DNP's documents also identify 95 projects it has assisted through a 5 phase program of capacity building. The current Phase IV (2003-2004) focuses on what is called 5 focal areas: gender; youth; marginalized peoples; community development; and

³⁴ Neither CBI nor CSHI makes grants directly to NGOs and NFOs. Instead, both programs use the grant mechanism to award contracts to vendors for goods and services, especially small-scale construction activities that in turn benefit NGOs, NFOs and their constituencies. We have used the term "projects" to describe the activities of these two programs.

human trafficking. DNP's Macedonian staff is currently preparing for the close-out of USAID funding for ISC with a view to establishing a Macedonian ISC center that would 1) conduct political and legal advocacy on behalf of NGOs; 2) do Community Development, and 3) Continue to provide training and capacity development to NGOs.

Our strategic examination of the DNP strategy suggests the following possible weaknesses, notwithstanding the strengths and achievements of the program since 1995:

1. The analysis of the "problem" beyond weak NGO capacity, seems to be missing. If weak capacity was the key problem to be solved, it is hard to make a case for the substantial number of zigs and zags the program has undertaken in its 7 year existence.
2. It is not clear whether the first two phases, primarily focused on environmental issues and civil society empowerment, were assessed as successful and a new strategic focus chosen, or the program simply was abandoned under pressure to do other things.
3. The deployment of resources seems to lack focus on a consistent long term goal. LEAPS, CAPS, and the grant program appear to be poorly integrated. 10 different "focal areas" in 7 years seems excessive. Grants seem not to be instrumentally linked to clear and consistently held objectives.
4. The reference to networks (43 members), 95 projects, 5 CAPs, and any number of LEAPS appears to suggest a lack of strategic development and follow-up over time. We were told that all grants are for one year only, although some organizations can get new grants for new projects. On the surface this seems to work against the possibility of developing a core of longer term partners who can "graduate" from the relationship as fully developed CSO organizations.

This examination of DNP's strategic underpinnings is not meant to denigrate the accomplishments ISC and its partners have achieved, or the respect that DNP is given by most NGOs familiar with the program. However, it does seem that a more coherent, sustained and focused strategy that, over 7 years, integrated the various purposes into some longer term course of action might have yielded even more impressive results.

CBI and CSHI strategies examined

We have chosen to deal with these two programs together on the grounds that they share some common strategic and operational principles, although CBI and CSHI operate under rather different rules of engagement and have different organizational styles.

The common features of both programs include:

- Working primarily with communities rather than with formal NGOs, although both have had projects with NGOs.
- The use of small (average \$23-25k) infrastructure rehabilitation and equipment provision to promote citizen confidence, self help initiatives, and participation in identification and implementation of programs.
- An effort to build cooperation and bridge inter-ethnic differences through focus on common interest projects (more CBI than CSHI, but common to both programs)

- Both entered the Macedonian scene relatively recently compared to DNP.
- Both retain control over finances and all matters relating to contractor tenders, selection of contractors, payment for work and quality control.

The strategic underpinnings of both programs are quite similar. CSHI's initial objectives were phrased in job creation, economic growth terms, with citizen involvement in the planning process seen primarily as instrumental to the economic development objectives.³⁵ CSHI in its April 2003 proposal for Modification and Extension shifted its instrumental democratic participation means to become Goals, or expected strategic results:

1. Increased citizen participation in decision making related to local community needs.
2. Enhanced capabilities and organizational sustainability of local community groups.³⁶

CBI's strategic goals have evolved since the original agreement. The focus at the start was on Conflict Mitigation Initiative, which quickly became Confidence Building Initiative. In the original document signed by IOM with OTI, the objectives of the IOM program were:

1. Maintain and bolster community cohesion;
2. Encourage and validate formal and informal moderate leadership at the local level; and
3. Strengthen citizens' relationships with their elected officials.

The emphasis on cohesion, validation of moderate leadership and strengthening citizen relationships with elected officials was certainly consistent with the US policy interest in stabilizing the "peace" by reducing fear and validating support for moderate leadership. The Agreement neatly lays out the strategy by which this would be accomplished:

*Through its network of local offices, CMI will engage mayors, municipal officials, members of parliament, local associations and NGOs, and encourage them to engage in participatory processes to identify community priorities and implement activities based on those priorities. In this way, moderate leadership will be provided with relevant resources that allow them to implement priority projects and programs... CMI (as it was first called) will bring local elected officials into a participatory and collaborative process with their constituents for the selection and prioritization of projects, as well as the implementation of those projects...citizens will be encouraged to hold their elected representatives accountable to their constituents and to challenge local authorities to provide constituents with clear and concrete proposals. This in turn **will promote local and therefore national cohesion** as elected representatives and citizens will become more aware of both their rights and responsibilities in a democracy.³⁷*

As the CBI program matured, and grants began to shift from "soft" events designed to get people into the streets and to start living together, to "harder" targets such as support for small scale infrastructure, the CBI program began to converge toward the same opportunities and kinds of

³⁵ Community Self-Help Initiative (CSHI) Macedonia: Statement of Work. (excerpt: no date) p.7

³⁶ Louie Berger Group Inc. proposal for Modification and Extension: Community Self Help Initiative: October 2003 to September 2005. CSHI Document: April 2003. p 1.

³⁷ IOM-OTI Agreement Attachment 2, Program Description, undated (circa July 2001), p 14.

projects supported by CSHI.³⁸ The language of CBI's reports shifted more toward building sustainable patterns of participation and cooperation in local government decision making, problem solving and citizen oversight. This is the language of the USAID strategic plan.

The strategic framework for action for CSHI and CBI changed rather quickly from the starting point to a greater uniformity with the USAID strategic plan objectives.

Our examination of the strategic underpinnings of these two programs yields the following possible weaknesses. Again, both programs are currently being evaluated, and empirical evidence from these may lead to different conclusions. However, an examination of the logic of the strategies suggests the following issues:

1. The problem analysis underpinning the CSHI program seems more related to features of economic collapse than to any deep understanding of the constraints to developing citizen participation. Little analysis of community power structures, variation between municipalities by region, social homogeneity, quality of leadership, etc. is evident. For CBI, the analysis of the causes of conflict is limited to one paragraph in the IOM-OTI agreement document. This may have been sufficient for a short term intervention focused on conflict mitigation and the validation of "moderate" authorities. It seems insufficient for a strategy purporting to advance the USAID DG objectives.
2. The level of resources available to both programs is substantial, but the operational deployment of those resources has been constrained by factors that make it less likely that the DG strategic objectives can be obtained. For CBI, the two-year-and-out timeframe also inhibits the kind of step-by-step capacity building process that could be a very useful feature of the highly flexible and decentralized CBI decision making structure. For CSHI and CBI, the rules for managing projects beyond the initial identification and technical specification stage effectively prevent further capacity building by concentrating contractor selection, implementation monitoring, financial management and payments, and final approvals almost exclusively in the hands of CSHI and CBI. CBI's quick response time and delegation of authority to expatriate-managed field offices helps to moderate the irritation expressed by local authorities over this lack of partnership and control. For CSHI, the much longer time frames and the relative remoteness of decision-making and problem solving is a cause for much complaint by mayors and local participating organizations. Moreover, the distant and lengthy project approval process makes it difficult to sustain the participatory momentum of project identification process.
3. An examination of maps showing the distribution of projects suggests more of a "target of opportunity" approach than a systematic concentration of resources on a well defined area relevant to the goals of the programs. There is little evidence of horizontal or spatial connectivity or the achievement of critical mass in the location of projects. The limitations on the size of project funding combined with the emphasis on infrastructure repair tends to drive both programs toward a partial or piecemeal approach to providing the material benefits desired by rather pragmatic mayors, municipal councilmen and citizens. In the conduct of this assessment, the team deliberately sought out small municipalities that had experienced more than one project from CBI or CSHI or

³⁸ The distinction between "soft" and "hard" was offered by William Millsap, the principal evaluator of the CBI evaluation underway at the time of the Assessment Team's research.

preferably both. The hypothesis was that this concentration of projects was both a product of increased citizen initiative as well as an input to sustaining that initiative and resultant participation. The evidence does not seem to support the hypothesis. As discussed elsewhere, small municipalities tend to compete successfully for support from many donors, but the mayor and/or a leading citizen may be the major factor, not the synergistic effect of CBI/CSHI project inputs. Citizens that were involved in a small scale water project in one part of a municipality did not participate or seem to have much knowledge of another different project involving the provision of equipment to a small factory in the very same municipality.

4. Material results do matter. As both projects shifted toward DG objectives for their primary rationale, the language used to explain the programs shifted toward statements like: “what really matters is the process, not the project’s material results.” This kind of rationale does not seem to us to give enough importance to local perceptions and realities. Macedonians do care about material results. They want the schools to be warm and not drafty; they want the local water system to bring water to their houses. Partial approaches, whether new floor tiles and paint or a repaired reservoir and some new water mains, may not do the job if the citizen-participant expects a warm school or clean water from the tap. If participation and volunteer labor don’t produce these material benefits, it is not likely that they can be sustained, or that the collection of water fees will be improved. More importantly, a failed small infrastructure project is unlikely to inspire future efforts to cooperate with fellow citizens across ethnic lines. It would seem that a recognition of this in the strategy might lead to a rethinking of the both the objectives and the rules for deploying available resources.
5. The spatial and time dimensions of both the CBI and CSHI strategies seem to be missing. Nor is there much recognition of the need for repetition and step-by-step devolution of capacity and authority to the local organization or authority. One or more rehabilitation projects and equipment drops do produce material benefits for the immediate users, and the mayor who organized the foreign support will gain political benefits, but it is difficult to see how the strategic objectives of sustained citizen involvement in all stages is substantially accomplished in either of these programs.

There is much that is positive in all three programs, and to some considerable degree, the evaluations may find that at one level, the programs are achieving their originally stated objectives. This strategic underpinning analysis is intended to identify logical and operational weaknesses, which, if corrected, would substantially improve the contribution of these, or any new, more integrated program to USAID’s strategic objectives. To highlight the similarities and differences of the three main programs, we have prepared Table 5.

TABLE 5
Principal Features of Three USAID Civil Society Programs In Macedonia

Operational Features	USAID program		
	DNP	CSHI	CBI
Program Objectives over time	Some stable Some variable	Shift from job/growth to DG objectives	Shift from CM to DG objectives
RFP and Competitive Award Process	Yes	Tenders Only	Tenders Only
Transfer of funds to Grantee	Yes	NO	NO
Capacity Building Training and Mentoring	Yes	Mentoring	Mentoring
Require Evidence of Citizen Local Gov. Involvement prior To Award	Generally No – Specific Programs - Yes	Yes	Yes
Reported time between application And Award	1 year	6 mos. To 1 year	Less than 3 mos.
Field office Facilitation	NO	Yes (11)	Yes (5)
Implementation Problem Solving Authority in Field	NO	Limited	Substantial In Field Office
Primary grantee interface with Partner	Skopje Macedonian	Macedonian & Expat	Regional Expat & Macedonian
Location of Implementation Authority/Responsibility	Grantee	CSHI/USAID	CBI/OTI
Follow-up grants for same Activity/program	Selective	Occasional	Occasional
Other activity grants to same CSO-Community	Yes	Some	Some
Collaboration with other USAID programs	Ad hoc	Some—to be expanded	Some, With CSHI particularly
Monitoring and Evaluation Integrated into Program	Grant monitoring; external mid-term program review completed	Systematic ex-post project monitoring; CSHI-commissioned survey underway.	Systematic monitoring; external EOP evaluation underway
Spatial Focus	Nation wide	National-conflict areas	Conflict areas broadly defined

We turn now to a brief discussion of the specific questions raised in the SOW's Section 2.1. We have already presented substantial evidence and discussion regarding many of these points. Our responses, therefore, will be for the most part fairly brief and summary. Where there is additional evidence available that has not been discussed, we will submit that here.

SUSTAINED LEVELS OF COMMUNITY PARTICIPATION AND CONTINUED CITIZEN ENGAGEMENT

The evidence available to us suggests that there has been little progress toward “sustained” participation and engagement from the CBI or the CSHI programs. There is evidence that citizens can be mobilized and will participate on an episodic “as needed” basis, but the organizational capacity to sustain this at the local level has not yet been achieved. In the municipalities, such sustained engagement may not be in the interests of the political leadership if it means increasing oversight and demands for accountability and transparency. NGOs and NFOs report that they aspire to improving their capacities and skills to perform this function, but few would say that their present situation offers much that would allow a very positive answer to this question. NGOs have been able to sustain service delivery activities over a number of years, and some have expanded their constituency base, but few would qualify as producing sustained levels of community participation.

LASTING, SYSTEMATIC CHANGES TO THE SOCIAL/POLITICAL SYSTEM

The collective donor effort, however uncoordinated and unfocused it may have been, has created a voice for change that is being heeded, on occasion, by national and local authorities. NGOs and NFOs reported that this has improved since 1999, but whether this could be described as lasting and systematic remains to be seen. The most important forces for these kinds of changes continue to be external to Macedonia, including the EU Stabilization agreement, the Ohrid Framework Agreement, and the requirements of other important external actors such as the IMF, the World Bank, the Council of Europe, and the collective pressure of USAID and other prominent donor organizations. Internal forces, including political parties seeking spoils and patronage, reluctant bureaucrats, resistant municipalities, and organized crime that finds profits from legalistic but impotent government, together constitute a formidable force in opposition to the broad structural reforms required. The CSO community could be a force for reform if it were more advanced in the organization and art of advocacy and oversight. At present, it is too fragmented and too poorly organized to be a major player.

DONOR DEPENDENCY

When asked about the problems faced by their organizations, our respondents identified “dependence on donors” as the second most important difficulty they faced.³⁹ The leadership of these organizations does not like the fact that they are forced to constantly seek grants, write reports, and generally spend much of their time “managing up” to the donors rather than managing down to their constituencies. Many give up, while some succeed in mastering the art of marketing, but with some cost to their relevance and respect within the Macedonian community.

³⁹ A table of responses to our question on most important problems will be found in Annex H, Table C.

CSOS AND ADDITIONAL FUNDING: AN AMAZING ARRAY OF DONOR PROGRAMS

Our CSO respondents reported that they had received grants or project support from 60 separate donor programs. The most prominent donor programs as reported by our 134 respondents are shown in Table 6 below:⁴⁰

TABLE 6
Donors and Organizational Status
(multiple answers allowed)

Donor	NGOs	NFOs	Total
CBI	32	28	60
OSI	39	3	42
CSHI	9	20	29
MCIC	24	3	27
ECMI	18	1	19
DNP	13	0	13
EAR/EU	10	3	13
SWISS	13	0	13
DUTCH	7	3	10
GERMAN	5	3	8
CIDA	4	0	4
SIDA	2	0	2
OTHERS	48	15	63
TOTAL	224	79	303

For NGOs, excluding CBI grants, the most prominent civil society investors have been FOSI, followed by MCIC, ECMI, and, at 13 mentions each, the Swiss and DNP. These investors began their programs in mid 1990s, and NGOs formed during that time were active in the earlier markets, but whether a DNP grant led to a grant from MCIC or FOSI is not possible to determine.

Included among the “others” in Table 6 are grants identified with CRS (7), PRISM (1), LGRP (1) and the US Embassy (2). Prominent also in the “others” are various UN agencies (12), Norway, CARE International, Caritas, and others. Nearly all of our grantees are local based with only sporadic connections to Skopje. Some donors such as the Norwegians tend to make larger grants to Skopje based organizations in an effort to minimize their risks and transaction costs.

⁴⁰ It is instructive to have a picture of the pattern and diversity of support that has been provided to the CSO community. The data reported here are what 134 CSO representatives told us. Accordingly, we do not have a comprehensive inventory of the shape, direction and size of the donor programs, but we can present the view from a sample of foreign assistance consumers.

As expected from our selection criteria our NFO respondents report substantial investment from CBI and CSHI, although collectively they also report on investments from 28 other donors. Smaller municipalities (towns) are especially active in finding multiple grant sources for funding infrastructure rehabilitation projects with 33 % of the total donors mentioned coming from sources other than CBI and CSHI.

The formal NGOs from the regional cities demonstrate superior grant procurement skills, attracting funding from a much wider array of donor sources. Both CBI and CSHI are well represented among urban NGOs, with an especially high level of CBI projects hosted by our Bitola respondents. As expected, DNP grants appear more prominent among NGOs in these towns, and especially in Stip, where CBI does not appear. Stip also records the one LGRP grant, as well as CRS and 3 grants from the new OSI-FIOOM local NGO support center. Overall, Stip NGOs have been well supported by both OSI and MCIC with a total of Stip awards second only to Bitola.

Seeking to answer the SOW’s query on CSO ability to attract additional funding on their own, we asked our respondents how many grants their organizations had received, with the results shown in the table below.

TABLE 7
Frequency of Donor Support for Formal and Nonformal Organizations

	None	Once	Twice	3 &+	Total
NGOs	10	15	7	44	76
	13.2%	19.7%	9.2%	57.9%	100.0%
NFOs	6	32	7	10	55
	10.9%	58.2%	12.7%	18.2%	100.0%
Total	16	47	14	54	131
	12.2%	35.9%	10.7%	41.2%	100.0%

About 36 % of our respondents succeeded in getting one grant, only 12% get two grants, but once past the two grant gate, over 41% get three or more. This pattern may suggest that getting into the gate is one thing, running the entire race is another. Some organizations are clearly more successful in building on their success. When comparing NGOs with NFOs, we find that 57% of the NGOs have managed 3 or more grants, while only 18% of the NFOs have managed to secure 3 or more. This difference may be a function of the relatively greater age of formal NGOs, but also may reflect the absence of an NFO grant market on both the demand and supply side. NFOs may be less skilled at grant seeking, and the supply of grant support for these types of organizations is much more limited.

Our response to the SOW’s question, “are CSOs able to attract additional funding” is yes, but the causal relationship between additional donor funding and USAID programs is not immediately obvious. For NFOs that received CBI and or CSHI grants, there is evidence that the

community leadership had already successfully entered the grant market. MCIC, GTZ, and others have been active in potable water programs for as long as CSHI, and often the CSHI program is a “bit player” in an array of grantee projects all focused on different pieces of the same problem or project. CRS has been active in Parent Council programs, and a number of donors have provided grant support for the children and youth sector. On the other hand, it is clear that the lack of formal organizational status inhibits NFOs from entering the normal grant seeking market place, which normally requires formal legal status as a criteria for entry.

DIVERSITY OF CSO TYPES AND INTERESTS?

An examination of the MCIC directory, the DemNet “NGO mapping” exercise, and the array of organizations that apply for DNP and other donor grants leads to the finding that the NGO community is both diverse and representative of someone’s interest, especially if one includes business associations, professional associations, unions, farmers organizations, sports and cultural clubs under the CSO banner. The inclusion of NFOs such as arents and neighborhood units adds an additional dimension to the diverse array of CSO types and interests. So even though some sectors (e.g., health, aside from drugs and HIV/AIDS) are left out or are perhaps underrepresented (e.g., agriculture, given that sector’s prominence in the economy), the diversity of CSO types is impressive. As for the future, deepening capacity within the sectors already represented may well be more important than expanding to new sectors. Such a priority would accord with CSO leaders themselves, who expressed to us desires to become more professional, more technically competent to serve and, from other data, more effective at representation and advocacy.⁴¹

SYNERGIES WITH OTHER USAID PROGRAMS

As we discuss in the conclusions and recommendations, we believe there is considerable room for synergy if USAID and its partners were to adopt a more coherent and spatially focused strategy with a common set of rules and standards for providing support. We saw some evidence of the potential of this kind of effort in the collaboration between CSHI and PRISM, between CSHI and CBI, and the de facto contribution that CRS has made to possibly “preparing the ground” for later engagement with CSHI type school projects. The most important collaboration would be to reformulate the relationship between LGRP and the CSO program **at the local level**. These two efforts do converge now, but in an ad hoc manner. Citizen Information Centers can be actively engaged in civil society promotion as in Kumanovo, or passing citizen complaint and routing centers to ministerial authorities as in Stip. The success of the decentralization program should be made to depend on the success of civil society development, and visa versa. CSHI programs are, or could be, as much about building competence at the municipality level as they are about energizing citizen participation.

There is also much room for synergy with other donor programs. Smart mayors are already realizing these synergies as they scour the donor landscape for infrastructure funding. FOSIM, EAR, and SDC are establishing NGO Support Centers that provide training, grant making, and communication support for local NGOs. These centers could be the retailers of support services, with organizations such as DNP, MCIC, and FOSIM becoming the major wholesalers for different kinds of services and representational functions. Synergy sometimes happens

⁴¹ See Table C in Annex G for a list of problems identified by CSO respondents to our questionnaire.

fortuitously, but its occurrence can be planned for and created. USAID needs to do much more to realize the potential that its previous programs have created.

OTHER PROGRAMS SUPPORTING CIVIL SOCIETY AND OVERLAP WITH USAID INITIATIVES

Aside from the three USAID civil society programs, the team visited some 17 other organizations supporting civil society activities. Three of them were US-supported efforts (LGRP, NDI and CRS), two institutions were at the same time both grant recipients and donors in their own right (OSI and MCIC), four were multilateral (EAR, EU, OSCE and UNDP), five bilateral (the Dutch Embassy, GTZ, SDC, SIDA and UK), one a European-based PVO (ECMI), and two German political party assistance organizations (the Adenauer and Ebert Stiftungs). Here we offer a very brief thumbnail on these activities. As will be apparent in what follows, there is substantial overlap with USAID programs, but we count this as a plus in a situation characterized by an underdeveloped civil society, offering great opportunity for synergistic cooperation with other donors as USAID crafts its next DG strategy.

USAID-supported programs

Of all the donor-assisted initiatives we visited in Macedonia, the Local Government Reform Program (LGRP) is closest to the three USAID civil society initiatives, with its efforts to improve local government administration. But it is, as its name implies, primarily a municipal administration program focusing on the supply side of local governance, not an effort to work with the participatory demand side represented by civil society. Some CICs do interact with NGOs, but so far this seems more a function of the CIC director's personal interests than a program priority. As the new Local Self-Government Law begins to take effect in 2004 and local government becomes much more significant, LGRP's portfolio will become much more relevant to the Mission's civil society programs, and the scope for fruitful collaboration will become correspondingly larger.

NDI is not normally considered part of the civil society team at USAID/Macedonia, but in some respects its support of the election monitoring organization MOST makes it a de facto member of that team. Founded to monitor the 2002 parliamentary poll, subsequently MOST has worked to make Members of Parliament more accountable to their constituencies through a program called "Mobile Parliament," whereby MPs meet regularly with citizens to discuss an agenda of issues of interest to citizens.

Catholic Relief Services (CRS) has been operating the USAID-assisted civic education program since 1994, focusing on educational reform, especially civic education in K-8 and 12, including curriculum development, training of teachers, and establishment of concepts and organizations relating to parent participation in school operations and teaching. The latter program relates directly to NFO development, while the curriculum and pedagogy reform relates to creating citizenship values in the socialization of children. CRS reports organizing parent councils in about 10% of the country's schools.⁴²

⁴² It would be interesting to find out how many of these CRS-assisted parent councils have participated as community organizations in the CBI and CSHI programs. Unfortunately, we did not interview CRS until after we had completed our field visits, so we could not look into the issue.

Recipient-cum-donor institutions

Macedonia has two large domestic operations that might best be described as hybrids combining qualities of both grant recipients and grant donors. MCIC receives grants from a variety of donors (not including USAID, except for some contract work), while FOSIM receives its funding from the OSI but acts as a Macedonian institution with its own board of directors, policies, etc., in making grants on its own. In addition, both MCIC and FOSIM have training programs of their own for NGOs, and MCIC has developed a significant research effort as well, including an effort to build a comprehensive directory of active NGOs. On balance, MCIC appears to have more different kinds of in-house programs, while FOSIM offers many more small grants across a wide array of sectors.⁴³

Multilateral donors

Among the multilaterals, the EU and more especially the EAR are the two main players in the civil society arena. The EU program, which is more directly linked to Brussels, awards grants of up to €50,000 using an RFP process somewhat similar to that employed by DNP. The grants do not include training for the most part, however. So far it has supported about 35 programs. The EAR, which has somewhat more autonomy from the headquarters in Brussels, is also much larger, and has taken over the activities earlier managed under the CARDS label (and even earlier under the PHARE heading). Presently it manages several small programs directly, mainly dealing with children, but it is about to launch a considerably bigger effort that will share in a €270 million allocation for all the former Yugoslav states. In the meantime, EAR is joining with FOSIM to support the establishment of eight NGO local support centers around the country.

The UNDP has no stand-alone civil society program, but it is involved in a three-year decentralization support effort totaling about US\$3 million. Most of it focuses on training municipal officials, but some local NGO representatives have been included as well. The UNDP is currently planning an NGO training program in three municipalities.

OSCE interested us because of its work with the police, not normally thought to be of direct relevance to civil society. But the Citizen Advisory Groups it sponsors, consisting of municipal stakeholders working with local police, appear to be exercising some citizen participation and even a degree of accountability in dealing with them. This could be a useful model as decentralization proceeds under the new LSG law.

Bilateral donors and externally based NGOs

Swedish SIDA program in democratic governance currently runs at about US\$3 million a year and focuses on media, women, youth and multi-ethnic issues. Its major partner is ECMI, through which it supports six regional centers of the kind we visited in Kumanovo. SDC supports about 15 projects a year in civil society — their “most intensive program,” — most of them with NGOs. In addition, it was the main donor behind the first four NGO Support Centers (now being expanded with EAR and FOSIM assistance).

⁴³ The FOSIM Annual Report for 2001 (the latest available), for instance, lists 932 grants ranging from less than US\$25 to \$75,000. Civil society alone accounted for more than 140 grants, a figure that does not include allocations to women’s activities, Roma groups or youth programs, many of which we would count as civil society efforts.

DFID's main interest in Macedonia concentrates on public administration reform, but provide some support to civil society through its small grants scheme, which is presently providing some assistance to NGO capacity building. Likewise, GTZ also works in other areas, primarily local government administration. It does support an NGO concerned with consumer protection.

The Dutch Embassy supports a variety of civil society projects with small grants (up to a couple thousand euros), plus some larger endeavors like ZELS. They are also sponsoring a MCIC study to assess aftereffects of the 2001 crisis. Interestingly, the greater part of Dutch assistance to Macedonia comes not through the embassy but from Netherlands-based NGOs operating independently of the embassy and often without its knowledge. In a sense these organizations function in reverse fashion to American NGOs funded with US Government money; whereas USAID tells its contractors and direct grantees what to program for, these Dutch NGOs develop their own idea for programming and tell the government back home what they want the funding for. They then usually come out to Macedonia twice a year to meet their grantees and applicants. This kind of grant management by remote control is apparently also practiced by Norwegian NGOs.

One European-based NGO that definitely does have an in-country presence is ECMI, which has six regional offices set up to help coordinate local NGOs working on minority issues. The NGO network members in each area plan and implement activities as an ad hoc coalitions, trading around the lead position among themselves. Since each participating NGO is already up and running, ECMI is in effect able to leverage its experience into the wider whole of the local network, concentrating on building coalitions rather than strengthening the individual NGOs.

We also visited, two of the German *stiftung* organizations, Konrad Adenauer (associated with the Christian Democratic Union in Germany) and Friedrich Ebert (affiliated with the Socialist Party). They each support the major party closest to their own outlook, meaning the VMRO and SDSM along with their respective Albanian counterparts, trying to induce them to shift from the present spoils system mindset to one of participating in a responsible multi-party system (an uphill challenge, particularly for the Adenauer *stiftung*). In addition they both also provide some assistance to civil society organizations, mainly women and minority groups.

Patterns

By and large, these donors take a stingy posture toward overheads and core costs for their grantees, though not quite as stringently as USAID. They do generally allow salaries or stipends and expenses for direct project activities, and some of them will permit overheads for up to 7 or even 10%, but rarely anything beyond that level (SIDA is an occasional exception here, sometimes allowing higher core costs to grantees).

The second thing to note is that in contrast with the generally small-scale donors, the EU is on its way to becoming the main supporter of Macedonian civil society through its EAR program. Within a year or two it will dwarf the others, including USAID. How it allocates its funds will clearly have an impact, both on civil society itself and on the program space other donors have to work in.

OTHER RELEVANT FINDINGS

As noted at this section's beginning, in addition to the SOW's questions that we have dealt with so far, we found other avenues of inquiry that appeared highly relevant to our basic task and so pursued them also, as discussed below. Most of them concern institutional barriers to civil society's ability to discharge its functions of service delivery, advocacy, and (in the Macedonian case) social fabric repair.

Coalitions

In many countries, CSOs have amplified their strength by forming coalitions to press their causes. This approach allows individual organizations to retain the élan they have built as relatively small groups and gives their leaders the continued satisfaction that seems to be a necessary motivation for people to take on the task of building and managing such bodies. And by joining together to pursue a common agenda, the coalition can greatly extend their reach and power to affect policy, deliver higher quality services, build their own knowledge, etc. In some cases like the Philippines, coalitions have become so much a part of the civil society landscape that "coalitions of coalitions" have become both common and at times powerful. We found considerable evidence of coalitional activity in Macedonia, though we wondered that there was not more of it, given what seemed to us to be an obvious case for building and using coalitions.

At the local level, Kumanovo provided the best example. There the ECMI had set up a center used primarily by minority groups (mainly Albanians and Roma) as a meeting and networking locus, but it had also taken on the task of promoting local coalitions. A system had been devised whereby several NGOs participated in a series of campaigns ("Stop the violence," "No weapons," "We want to live together," "Puzzle" — this last urging that different groups live together like the pieces of a jigsaw puzzle fit together). For each successive campaign, one NGO would take the lead, with the others contributing volunteers, mobilizing turnout, etc.

In another local coalition, women's organizations in Bitola cooperated in a 2002 campaign to press political parties to move women candidates higher up on their lists for the parliamentary election. After extensive lobbying, a national requirement had been put into place for the 2002 election that parties would have to allot 30% of their nominations to women, but since the nominees toward the bottom of a party's list rarely get elected, getting the lower slots on the ballot usually doesn't mean very much in practical terms. Some 22 women's groups came together to launch a second campaign, this time for higher ballot positions and to urge women to turn out for the election, supported by a CBI grant.

At the national level, a coalition of 49 NGOs came together in 2001-02 under the leadership of the First Children's Embassy in the World (a DNP grantee better known as "Megjashi") to sponsor a study of best European practice on charitable contributions and press for a tax law change that would allow businesses to contribute up to one percent of their income to NGOs. This "1% campaign" did not succeed in the end, but MCIC has a new study underway, and Megjashi is hopeful of launching another campaign.

Perhaps the best known example of a coalition at work has been the environmental initiative to close down the zinc smelter in Veles, long a notorious source of pollution in the Balkans. This

campaign on the part of a 26-member coalition⁴⁴ has gone on for several years and has enjoyed considerable success in building an evidentiary case, mobilizing volunteers, getting media coverage, engaging public debate and on a number of occasions getting the GOM to close down the smelter because of environmental hazards with airborne emissions. But there have also been setbacks, as the smelter has corrected the deficiencies and reopened for business, only to continue polluting. And the effort to compel a cleanup of polluted soil and water in the area around the smelter has so far gone nowhere. Presently the now-privatized smelter is again shut down, but this time because the new owners have gone into bankruptcy proceedings. Chances appear good that it will reopen at some point, in which case the saga will continue.

But despite this evidence of success, both NGO representatives and donor organizations have a rather mixed view of coalitions. There are good qualities, they told us, but significant problems as well. Several like CRS told us they had tried unsuccessfully to form coalitions. Others had worked with them for a time but then given up. Sometimes they became unwieldy if not all members agreed on all issues; the time needed to bring all members into consensus appeared too draining. Perhaps more important is the “collective action problem.” We heard several complaints from active NGOs that coalitions attracted too many free riders and drone organizations that consumed processing time but added nothing to the overall enterprise.

INSTITUTIONALIZING NGO SUPPORT CENTERS

USAID’s Local Government Reform Project has set up Citizen Information Centers (CICs) in nine municipalities, with the idea of providing guidance and counsel to individuals dealing with local authorities (e.g., getting a building license) and to citizen groups looking for support. These centers can be a powerful source of support to fledgling groups just getting started, steering them to funding sources, cluing them in on obtaining governmental space for their activities, etc. In Kumanovo, the mayor in effect used the CIC (which he had given space in the town municipal building) as his interface with citizens seeking services and NGOs. In other towns we visited, the CIC was not as prominent. Whereas in Kumanovo, all NGOs were very aware of the CIC and had (mainly very favorable) ideas about it, in other places (Bitola, Tetovo, Stip) it seemed much less energetic and basically not a part of NGO’s thinking.

The Kumanovo CSHI office was also located in the municipal building, just next to the CIC, and this proximity appeared to have provided some synergy between the two offices, enhancing the effectiveness of both. CSHI will close out at some point, of course, but hopefully the CIC will endure, thereby helping institutionalize a system for assisting the NGO community. In the meantime, co-locating these offices wherever possible seems a good approach.

The NGO Support Centers funded by the Swiss Development Corporation in four towns (and in the process of being expanded to other towns with FOSIM support) should provide a more focused set of services to NGOs. Of the four now in operation, we were able to visit only the one in Stip, which proved to be quite active.⁴⁵

⁴⁴ Some members of the coalition received assistance from DNP in the later 1990s.

⁴⁵ The Stip NGO Support Center sponsored our group session with NGO representatives, sharing with the CSHI field representative the work in contacting these people (a task that CBI — which has no presence in Stip — and CSHI performed for us in the other sites visited).

At the national level, MCIC has begun to carry out some of the functions of an NGO support center, serving as a kind of clearinghouse, a database gathering body and a training center.

THE LIMITS OF LOCAL SELF GOVERNANCE

At almost every turn during our field visits, we were made aware of just how limited local governance is in Macedonia. Mayors, council members, NGOs, NFOs, USAID partner organizations, donor agencies — all made very clear that there are severe restrictions on what it is possible to do at the local level. Today municipalities exercise control over water supply, solid and liquid wastes, aspects of local road maintenance, some cultural activities, and a very few taxing/fee charging powers, but little else of significance.

All these sources also made it very clear, however, that great changes were soon to occur. Under the new Law on Local Self Government coming into effect in January 2004, municipalities will gradually assume charge over virtually all governmental functions exercised within their borders except police, judicial and military activities. In particular, responsibility (“competency” in local parlance) for education, health, social welfare (of the elderly, disabled, addicted, orphaned), and the environment will be devolved to the local level, along with funds from the national budget for discharging the new functions.⁴⁶ All in all, the implications for the DG sector in general and for civil society in particular will be profound.

POLITICAL PARTIES AND THE SPOILS SYSTEM

Local and national government are not the only institutional sectors with which civil society relates. There are also the private commercial sector, which was not directly included in our Scope of Work, and the political parties, which were not included either, but which intrude so much into the civil society dynamic that they could not be ignored.

Because it deals with government and elected officials, civil society has to operate in a political universe and relate to political partisanship (hopefully in a non-partisan way, such that CSOs can enjoy good linkages with whatever parties are in power at any given time). This relationship with political life is simply the normal state of affairs in democratic systems. In Macedonia, however, it is not so much political life but what might be called hyperpolitical life in almost all aspects of public affairs. Political identities run heavy in Macedonia, and a substantial portion of the body politic aligns itself strongly with one or the other of the two major parties.

And in public perception, as well as in fact for the most part, a political spoils systems prevails, such that one needs political connections to the right political party (i.e., the one in power) if any benefit is to come from government at any level. Wrongly or (probably more often) rightly, everything that comes from the local municipal building is believed to have some partisan political aspect to it. Thus organizations whose proposals are turned down, whether from the minute mayoral funds available for citizen organizations or from donors working at the local level, seem all too eager to blame the loss on political favoritism. And the activist mayors we have discussed in our report are caught up in this context as well; everything they do is tinged

⁴⁶ See the “Law on Local Self Government of the Republic of Macedonia, adopted 24 January 2002” (translation provided by LGRP). Specific legislation will be needed to implement the transfer in the various sectors. Interestingly, there is no mention in the law of taxing or other revenue raising authority (e.g, issuing bonds).

with a perceived partisanship. *Mutatis mutandis*, the same analysis can be made of the national level.

THE MEDIA AND CIVIL SOCIETY — IMMATURE PARTNERS

In much of the West, civil society and the media have developed over the years a quite sophisticated relationship with each other. Advocacy organizations often frame their campaigns around what will appeal to TV viewers and newspaper readers and thus to the media serving those audiences. Large demonstrations, colorful antics, movie star endorsers are all part of the repertoire. Service delivery NGOs convince TV cameramen and news reporters to cover famines, floods, Special Olympics for the handicapped, on-site interviews with harried managers of understocked bloodbanks, and so on. For their part, TV networks and local stations, as well as newspapers often assign staff to cover NGOs, even undertaking investigative reporting on environmental issues and the like.⁴⁷ The result is a mutual benefit and even synergy, as NGOs get useful publicity for their cause and the media obtain material of interest to their audiences. In the best sense of the term, each side “uses” the other to the mutual advantage of both.

This kind of relationship did not spring into existence overnight, however, and it is not surprising that such connections are very hard to find in Macedonia. During the socialist period, government related to the public through the media with long press conferences characterized by reading pages of eye-glazing lists and statistics in front of cameramen and reporters. NGOs tend to follow the same path, calling press conferences to announce campaigns or report achievements. And they tend to focus attention on themselves and their plans rather than on the activities or constituencies they are trying to promote and why their agendas are worthwhile. Occasionally an civil society cause breaks into the media to grab attention, as with the ongoing zinc smelter campaign in Veles, but these instances are exceptional.

For their part, the media are not yet very professional by Western standards. Commercial TV and radio stations in large measure survive by rebroadcasting pirated material and display little interest in public affairs. A number of private broadcasters gave at least some coverage to CSO activities, but a number of NGOs told us that the attention did not come gratis: broadcasters often expected to be compensated for their reporting. For its part, the print media tends to perceive everything including NGOs through a thick political lens. Even though they have a mandate from the current government to support the NGO sector, the public broadcasters show little enthusiasm for the task, seeing the NGO community as largely money-laundering machines or at best opportunistic and unprincipled grant-seeking operations. Very few reporters have much experience covering civil society. In short, NGOs provide very little of interest to the media, and the media display very little interest in covering NGOs.

4. PRINCIPAL CONCLUSIONS AND DISCUSSION

In this section, we present our main conclusions, which fall into five main categories. The first three deal with different kinds of institution building: first civil society itself; then the government side in its capacity to respond to and deal with civil society; and thirdly the arrested development of political parties. Our fourth type concerns civil society organizations and the

⁴⁷ Sometimes this can prove embarrassing to the NGO sector, as with the recent media exposés of the United Way in the United States.

wider public universe within which they exist, and finally our last category focuses on where USAID and other donors have targeted their civil society support efforts

A. INSTITUTION BUILDING — THE CIVIL SOCIETY SIDE

Critical mass — not yet attained

One good test of whether civil society has matured is whether the political leadership has to take it seriously on a regular basis as a presence in the political arena — when a prime minister or a mayor has to think before he or she decides to do (or not do) something, “What will be the reaction from the citizens?” When civil society has induced this level of awareness in political leaders, we can say it has attained “critical mass.” When critical mass has been realized, leaders will ignore civil society at their peril; without it they can ignore civil society with impunity. This does not mean that where critical mass exists, civil society can necessarily effect major changes in the basic political structure, say in curbing the power of entrenched elites, but attaining critical mass does mean that it has political “clout” — it has to be taken seriously.

Civil society achieves critical mass in various ways. These generally include some combination of mounting campaigns, building and articulating a case among elites, accessing the media, lobbying legislative bodies, mobilizing voters, and forming broad coalitions across the political spectrum and across different sectors. All these approaches have been used in Macedonia, but thus far not with enough perseverance and cumulative impact over time to attain critical mass. Sporadically, civil society has had an impact on policy at both national and local levels, as for instance nationally with the longstanding campaign against zinc smelter pollution in Veles or locally with protests against alleged police mistreatment of two Roma youths in Kumanovo. But these successes have been episodic, not illustrative of a consistent pattern. In our focus group sessions, as well as in our direct interviews with CSO representatives and government officials at national and local levels, we saw virtually no evidence of a sustainable critical mass.

It must be noted that this shortfall is scarcely unique to Macedonia. There are many countries, particularly in the former Communist world, where civil society has yet to attain anything like a critical mass in the sense we are employing the concept here. And even in countries where it has been arguably realized, such as the Philippines, its hold on the political landscape is less than totally firm, especially at the provincial and municipal levels, where local elites often hold undisputed sway.

But Macedonia should be further along this path than it currently is. Mayors, for instance, should be at least beginning to take civil society into account as something more than an extension of the governmental service delivery system, that is, as a crucial source of input on policy, both pro and con. To take a quantitative measure, Freedom House ranks Macedonian civil society at 3.75 in its 1-to-7 (best-to-worst) scale for 2003, thus placing it along with Albania in a tie for next-to-last place among the 15 former Communist countries in Central and Eastern Europe.⁴⁸

The lack of critical mass can be laid to many causal factors, as discussed earlier in this report⁴⁹: a social passivity created over the long socialist era when the state organized almost all social

⁴⁸ Bosnia occupied last place for 2003, with a 4.00 score. See Freedom House (2003), Table 1 and 2.

⁴⁹ Pages YY-ZZ passim. See pages 21-23.

activity; a culture for centuries treated as a backwater; a pervasive political party presence focused exclusively on spoils and patronage rather than on responding to constituency needs; donor strategies keyed to strengthening NGOs individually or even by sector but not as a collective entity, i.e., the CSO community as a whole. This last factor is likely to be more amenable to change than the others.

But Macedonia also needs a significantly larger number of capable NGOs at local and national levels to form the core of a critical mass. The areas we've visited each have a small number of NGOs that are well developed, have boards of directors, hire at least a few paid staff people, keep good financial books, publish (in some cases) annual reports, can write high-quality proposals, etc. DNP is assisting more NGOs to attain this level of competence. Collectively, this group might number 100-150 in all of Macedonia, if that many. Many in this small group, though certainly not all, could probably survive if their present stream of donor funding were cut off.

Underneath this thin professionalized tier lie several more levels, which can be discussed in the USAID-sponsored NGO study issued in May 2003:

- Tier 2. Groups not among the top tier just mentioned but nonetheless managing grants at any one time — somewhere between 100-200;
- Tier 3. The 1200 or so groups that the study found to be “active” but unable to qualify for grants and presumably operating at a lower tempo;
- Tier 4. The remaining 4000 and more making up the total universe of organizations that have officially registered as NGOs but which are engaged in little if anything of an observable nature.

Some of those in Tier 2 would survive absent grants, but many would not. And quite a number in Tier 3 would manage to continue on, just as they have in the past without grant support, though many would move down to Tier 4. When the picture is all added up, if critical mass is highly unlikely to be achieved with present donor programs in place, then it would be well nigh impossible to attain if that support were to be diminished or withdrawn. The task, then, becomes either to increase levels of support — a doubtful prospect at best, at least for USAID — or to change the approach currently being taken.

NGO overhead and core funding — always someone else's job?

A cardinal principal of USAID programming to date in Macedonia has held that grants may not be directed to core funding needs such as salaries, overhead expenses like office space and the like, except in some cases as related to direct project costs. DNP does provide a certain amount of these direct costs, while CBI and CSHI adhere to a more Spartan formula of no money at all directly for grantees. A few other donors appear a bit more liberal on this count, but most of them follow more or less the same approach. Only in a very few and self-consciously exceptional cases will donors support core costs, and this appears to be for only a very limited time, as a seed investment after which the NGO is expected to assume these outlays itself.⁵⁰

⁵⁰ SIDA is an example here, but only very occasionally.

The underlying assumption for all the donors is that the basic salary needs will be met either by volunteerism and in-kind donations, by other donors, or by self-sustaining activities already in place. US assistance, then, will provide just enough supplemental “topping up” to enable an NGO to undertake some new initiative. CBI and CSHI insulate themselves still further by providing funding only for some physical project (e.g., school repair), commodity purchase (e.g., IT equipment), or one-time event costs (e.g., renting equipment and premises for a series of workshops). But even the more generous donors generally provide only modest honorariums and direct project expenses. Some NGOs manage all this by exercising little savings from their programming grants, overlapping their grants a bit, selling some services (e.g., using their IT facilities as internet cafes during off-hours), obtaining free office space from municipal largesse, etc.

But most do not manage these matters very well. And it cannot be expected that volunteerism is going to fill the gap between organizational collapse and sustainability. The major civil society organizations in the West do not operate completely with volunteers, whether on the service delivery or the advocacy side. The major ones all have salaried professionals at their center and meet substantial (indeed in some cases excessive) overhead costs. We should not expect (and probably should not want) Macedonian NGOs to grow into service delivery giants like the American Red Cross or advanced advocacy operations like the AARP, but if the civil society sector in Macedonia is ever to reach critical mass, far more NGOs must reach operational and financial sustainability, and they will need some serious help to do so. This is not to say that all NGOs are entitled to continue. Many are inherently unviable operations and should be allowed (perhaps even encouraged) to disappear. But for the civil society sector as an entity to survive and flourish, more NGOs will need help with meeting core costs at least in the short term.

USAID has partially engaged this issue by providing training in DNP on sustainability, but more should be done, if we are to be serious about building up a viable civil society sector. It won't all come from volunteerism and in-kind contributions occasionally supplemented from foreign donors. The idea of considering core funding takes on more poignancy — maybe even approaching contradiction — at a time when donor funds in general and American support in particular are scheduled to diminish in the near future.

Coalitions — increasing advocacy impact and establishing a sectoral voice

CSOs can attain critical mass if a number of them each become bigger, stronger and more adept, but they can also get to this level if groups of smaller organizations join hands to form coalitions to work for common goals. We have found some significant coalition-building effort at both local and national level, but these initiatives tend to be ad hoc and intermittent.

Coalitions have important virtues for civil society. They increase advocacy impact. They multiply resources, produce bigger campaigns, mobilize larger demonstrations, and they do better at getting the attention of mayors, party chiefs, ministers, and media. And they can also make a start on establishing voice and representation for the civil society sector — improving its public image, and making a case for it to the GOM for better tax incentive structure, better laws on NGO registration, and the like.

On the service delivery side, coalitions can also bring advantages. In the public health sector, for example, several NGOs — including HOPS and HERA, two DNP grantees — have joined

together to apply for a UN Global Fund grant on communicable diseases that would provide US\$6.9 million over 3 years if they receive it. Aside from grant funding, the possibilities for networking, exchanging experiences, best practices, etc., are immense.

There is, however, a downside to coalition building. Management time spent on processing disparate views into consensus, collective action issues with free riders, and inhibitions against divulging organizational “trade secrets” in a competitive environment all act as constraints on coalition building. These negative factors probably explain why past attempts to build coalitions (at times with donor backing) have largely failed.

Given all these negatives, one might ask, “Why bother with coalitions?” The answer is that individual NGOs — perhaps with a rare exception here and there — simply aren’t capable of effecting any serious influence in public policy. As single units, they just don’t have the necessary weight. Thus even though coalitions have failed in the past, they should be tried again. Hopefully, with more experience and better guidance they will do better.

Institutionalizing NGO support centers

One promising institutional initiative we noted in several places (though not all of those we visited) was the development of regional centers supporting NGOs. Some of these were formal, in particular the four begun with SDC support and now to be expanded to twelve with assistance from EAR and FOSIM. Other activities were more informal, as with CICs providing guidance to NGOs in search of it. And still other efforts were targeted toward a subset of the NGO community, e.g., ECMI’s centers serving minority communities.

For the formal NGO support centers, assistance will be a costly proposition, with the EAR/FOSIM units now budgeted for €150,000 for each of the next two years — a funding level that may well not be sustainable, certainly if the centers would be expected to subsist through selling their expertise on a fee-for-service basis after the EAR/FOSIM grants run out. The ECMI centers are a good deal cheaper, though, if rather more limited in their scope, and the marginal cost of extending CIC services to NGOs is minimal. In any event, an obvious idea here is to think of effecting some coordination between the CICs and NGO Support Centers as the latter expand in the next several years.

B. INSTITUTION BUILDING — THE GOVERNMENT SIDE

Civil society and civil society organizations constitute only one dimension of the arena in which they operate. The other crucial element is the government to which it relates as service provider and as advocate.

The mayor as critical actor — more important than civil society?

In all the municipalities we visited, the mayor proved to be a key factor in local civil society — far more than we had realized at the beginning. Where we found clusters of CBI- and CSHI-assisted activities, it was almost always because the mayor had initiated things.

Energetic mayors in Bitola, Mogila, Bistrica, Kumanovo, Cucer Sandevo, Saraj, Jegunovce, and Karbinici sniffed out USAID program possibilities, visited and lobbied CBI and CSHI field

representatives, mobilized NUs and other groups, shepherded proposals, followed project implementation, and (justifiably) claimed a role in bringing donor investments to their areas, often several times from the same American program. Had they not been so dynamic, particularly in smaller places, it's much less likely that these projects would have come their way. We wondered, in fact, just how much if any civil society organizations, certainly the informal ones, would have been able to respond to the opportunities offered by the CBI and CSHI programs in the absence of mayoral intervention.

This mayoral vigor comes in the context of the very modest role that Macedonian local governments are allowed in terms of power and budget. Actually, it may be their very weakness that impels these mayors to move so energetically in search of outside support — they have little to offer their constituents from their own resources, so it makes good sense to go looking elsewhere. The implication is that civil society activism of the basic social capital-building variety (i.e., the kind that CBI and CSHI grants are intended to inspire) doesn't easily happen by itself, even when donors are moving about the countryside scouting out prospects. Local political leadership counts.⁵¹

The Law on Local Self Government — changing the playing field

This sweeping devolution promised by the new Local Self Government law will change the nature of local governance in many ways affecting civil society. Most significantly, local governance will become much more important in citizens' lives, dealing with many more serious issues. Rather than complaining futilely to the Ministry of Education or Health in Skopje about grievances, people will be able to go to their municipal building. Elections for mayor and council will have much bigger stakes to be fought over, including much greater patronage prizes if the present spoils system remains in place. Mayors who have been so far legally relegated to relatively minor roles will have the opportunity to exercise real power over a much larger slice of public activities that matter to people.

Likewise civil society will be afforded a much larger scope to exercise influence on public policy. Parents can demand more government attention from schools to local officials, disabled people can lobby for easier access to buildings, families of drug addicts can insist on improved programs at health clinics, environmental action groups can press to get polluting factories to clean up their effluent. What NGOs had experienced considerable difficulty in pushing for at the national level they can now advocate within the much smaller canvas of local politics.

Service delivery organizations will find their universe much changed also. Groups providing educational support to Roma children will be able to carry on part of their effort in cooperation with the local school system (or lobby to do so), perhaps even developing contractual relationships with local authorities to provide such services. In the same fashion, associations offering IT instruction to teenagers could begin to do this through the high schools, and sports

⁵¹ We should temper these observations on mayors with some methodological reservations. We intentionally picked municipalities with clusters of CBI and/or CSHI-supported activities, on the hope that we would be most likely to find evidence of ongoing citizen participatory momentum in such places. We did not seek out places with just one or two grants. Accordingly, our sample is not a random one. Thus it is possible that, while mayoral dynamism explains the high level of activity in the places we visited, at the same time places with only one or two projects have proceeded quite independently of their mayors or with minimal input from them. In such places, other factors like citizen association leadership may have been more important than the mayors.

clubs could do the same. NGOs working with drug addicts might engage in contracts with local clinics to offer services that the latter are incapable of providing. The list is virtually endless.

As with any change of such magnitude, some negative dimensions loom. The total number of municipalities will be decreased, all knowledgeable observers tell us, from the present 124 to somewhere between 50 and 75. This downsizing will have to mean the disappearance of many smaller units, such as Mogila (population probably under 5,000) or Bistrica (not much if at all over 10,000)⁵², both of which we visited. This would be unfortunate for local activism, to say the least, if such small rural territories were to be merged in with bigger neighbors. For example, as the president of the NU in Mogila which had managed to get its water system restored with CSHI assistance told us, “If we were just a part of [adjacent] Bitola [municipality], we never would have been able to get a single dinar for our water system.” National decentralization, in other words, is going to lead to considerable local-level centralization, thereby weakening community initiative.

Local corruption and elite dominance will constitute a second danger. National corruption has been and continues to be a serious problem in Macedonia, but assuming that democratization progresses, freedom of speech becomes more embedded, parties out of power become more of a “loyal opposition,” and the media become more sophisticated, it should be possible to expose venality and demand probity in public life along the lines now — imperfectly, to be sure — practiced in the EC. But at the local level, where the media are weaker, collusion among elites is more the norm than the exception, and politicians are often more complicit in covering things up, corruption can much more easily become subterranean and unseen, all to the public detriment, as funds intended for services get siphoned off into private pockets. Even a stronger civil society will be hard put to combat such malfeasance.

And a third pitfall is likely to come from the central government itself, which will be subject to great resistance both political and bureaucratic. When push comes to shove, the political elites in Skopje who have wielded centralized power and patronage may well become loathe to relinquish it. And even if they can be persuaded to do so — most probably under diplomatic pressure from the EU and US to live up to the terms of the Ohrid Framework — the bureaucracy is likely to prove a serious stumbling block. Government servants who have spent their working lives molding careers in the education or agriculture ministries will not take kindly to being relegated to municipal levels where they will report to mayors or council members instead of deputy ministers and where their children will have to attend second- or third-rate schools instead of the better funded institutions found in Skopje.

All these problems — particularly central resistance to devolution and local elite capture of whatever does get decentralized — have hobbled and eventually doomed many decentralization initiatives elsewhere, and it would not be at all surprising to see them surface in Macedonia in the near future.⁵³ But if Macedonia’s central ethnic problem is to be significantly ameliorated, a serious devolution will have to be a large part of the remedy. The Ohrid Framework represents an excellent start on such a prospect, and one that the USAID mission with its LGRP will be able

⁵² Our vagueness in reporting population figures reflects the fact that the 2002 census data will not be released until some time this coming autumn. Accordingly, people deal in subjectively modified adjustments to the 1994 census totals.

⁵³ For an analysis of decentralization issues, see Blair (1998 and 2000), also Manor (1999).

to capitalize on. Adding a major civil society component to the LGRP initiative would be a very valuable contribution for USAID to make.

Government and civil society at the local level

An important design component for both the CBI and CSHI programs has been the insulation of the contract work itself from local government and civil society organizations. Both these actors get quite involved in the prioritization of community needs (that's the major idea of the programs, after all), but then are excluded from the tendering, contract awarding and implementation phases of the process. As a means of minimizing corruption and assuring adherence to specifications in project design, this makes good sense, and, though they do grumble, most (if not all) local officials and citizen groups tend to accept this approach. They seem well aware of the dangers involved if a mayor were given discretion over allotting a contract to spend foreign money on some infrastructural improvement. But they are less understanding when it comes to implementation. A good number of those we interviewed complained that when a contractor made mistakes there was little they could do but try to contact the CBI or CSHI field representative to intervene, and that this route often took a considerable time before rectification was possible. There should be some way to ease this problem. CSHI reports a couple of experiments in which local governmental units are being allowed a greater role in the contracting process. This looks like a good start in the right direction.

Government and civil society at the national level

While our principal focus in this assessment has been at the local level, we did pick up some impressions of the national government's relations with civil society as well. They are generally less well developed than at the local level, in part because of the absence of critical mass discussed above. But they do certainly exist. The present government has declared itself supportive of NGOs, but so far its only official link aside from registering NGOs has been to set up a small fund that supports perhaps 10 organizations a year. On the policy side, however, the GOM does respond at times to NGO demands. The Ministry of Environment, for example, has moved to shut down the Veles zinc smelter a number of times when tests showed its pollutants were exceeding allowable standards. For the 2002 parliamentary elections, a women's coalition was able to push through a plan to require that 30% of the places on party slates be given to female candidates. And the Ministry of Social Work and Social Policy has reacted favorably on various demands from groups dealing with welfare issues. The Ministry for Youth and Sports has given support to the Babylon organization in Stip. Even some unlikely players like the Defense Ministry have contributed office space to NGOs. But this response has been almost exclusively reactive, in contrast with the mayors we met who have taken a pro-active approach to working with CSOs formal and informal to bring in outside resources and serve constituent needs.

C. INSTITUTION BUILDING — THE PARTIES

Though political parties were outside our brief as contained in the SOW, the impact of the Macedonian parties and the spoils system are so corrosive in their impact on civil society that we could not avoid constantly running across them. It is easy enough to understand the background in terms of recent Macedonian history. The state and the party served as the principal source of employment and services in the Yugoslav period, so it makes sense for people to turn to these

two institutions today, particularly during the badly performing economy that has characterized so much of Macedonia's history since independence.⁵⁴ Under such conditions, it would be surprising if a spoils system had not come to infect political life, along with its accompanying cynicism and distrust. But the atmosphere it generates has a depressing effect on civil society, which depends so greatly on spreading trust and cooperative behavior in order to attain common goals.

D. CIVIL SOCIETY AND THE WIDER PUBLIC — A ROLE FOR THE MEDIA

In addition to their interface with the institutional structures discussed above — government and parties — civil society and CSOs as a collectivity also of course relate to their base constituency, the wider public. The nature of this relationship provides some real cause for concern in Macedonia, where, in contrast to the position in most countries, civil society appears to present a distinctly unfavorable public face. People generally, in addition to donors, officials and NGO leaders themselves, tend to regard CSOs with a jaundiced eye, as emerges in USAID's 2002 opinion survey, as well as in many of our interviews. To a certain degree, this bad public image is not undeserved, for a good number of marginal and even shady characters did try to enter the NGO field in the chaotic periods emanating from the crises of 1999 and 2001. Most of these dubious operators have faded away more recently, as grant money has become scarcer and donors more demanding. But the unfavorable impression lingers on, tarnishing the NGO community and its credibility

Over time, as memories of the crises fades and NGOs prove themselves through good works, their public image should brighten, but this will take awhile. In the meantime, they could be doing considerably better at upgrading that image by developing an improved relationship with the media. As we found out, however, both NGOs and the media do not deal with each other well at all. NGOs do not offer much worth the media's while to cover, nor do the media display much enthusiasm for covering NGOs. Help on both sides is needed.

E. TARGETING CIVIL SOCIETY SUPPORT

Because donor programs, even very large ones, cannot do everything needed to support development in any sector, they must prioritize their programming, a process that inevitably incurs opportunity costs. To support one activity means that alternatives option must be foregone. For civil society in Macedonia, this truism is reflected in the assignment given by USAID and other donors to civil society that it function to repair the social fabric torn by the crises of 1999 and 2001 in addition to its more normal roles in service delivery and advocacy. This extra assignment has had certain consequences, not all of them favorable.

Advocacy and ethnicity — too intertwined?

Some of the most successful NGOs we've observed have been ethnically oriented groups providing services to their constituents as well as advocating for them in the public arena, e.g., Albanian women's rights, Macedonian disabled citizens, Roma literacy. All these groups most certainly need services and advocates. But we wonder if the thrust of NGO development may be

⁵⁴ In at least one setting, the Kocani area, partisan politics have evidently become so rancorous as to threaten the basic public order, with party-supported groups of toughs engaging in frequent violence. It is this rending of the social fabric that became the program focus for CBI in this area.

becoming too ethnically compartmentalized, at least in some areas. Many of these NGOs claim to be multi-ethnic (“we serve all communities here in XXX, not just our own YYY people”), but such assertions have all the signs of showing awareness of donor sensibilities, not a genuine commitment. Only a few advocacy (as opposed to service delivery) NGOs appeared to actually extend beyond their main ethnic constituency, and none that we saw had any real representation from the majority ethnic Macedonian community.

In many ways, this is to be expected, as long-subordinated groups become more self-aware and hopefully more conscious of what they should be able to lay claim to in a democratic society. But if NGOs come to be too associated with minority aspirations, trouble could emerge from the majority community. And in fact, we did hear some complaints from the majority community that too much emphasis is being placed on ethnic programs rather than on building the national society as a whole. This is not to say that minority-oriented civil society programming should be reined in. Indeed, it should continue to be encouraged, especially inasmuch as interethnic relations so clearly continue to stand in need of much improvement. But some serious attention should also be paid to potential consequences of promoting ethnic-based advocacy, perhaps with publicity efforts — even concerted campaigns — getting across the message that when disadvantaged groups improve their lot, the whole society benefits.

Geographical dispersion of programs

The concentration of much USAID and other donor programming on the troubled areas in the west and north of Macedonia (as well as some like Bitola where inter-ethnic violence threatened and Kocani where party violence had lurched out of control) has possessed a logic that our team finds compelling. These areas, after all, are where the immediate threats to society were located. But as the threats (if not necessarily the tensions underlying them) have subsided, we have detected a certain discontent in other areas of the country, notably Stip, which we selected as an area relatively unaffected by the crises elsewhere. NGOs in Stip (and we would assume in other areas basically unaffected by the crises) seemed to have a degree of resentment that the lion’s share of foreign assistance was going to the troublemakers rather than to those who had carried on their lives responsibly. The squeaky wheels, in other words, got more grease, while those performing with little noise got less.

Neglected service delivery areas

We noticed a pattern in the American programs assisting civil society, paralleled so far as we could tell by those of the other donors, that channeled support to activities focusing on minorities, women, children (especially minority children) and — in the American case — small infrastructure work. This has meant that constituencies and sectors receiving assistance through NGO grants in other countries did not get much attention in Macedonia, for example, health, the elderly, and the disabled.

Fads and trends among the donors have also contributed to this pattern. A short while ago, environment was a glamour topic, receiving much support from donors (including USAID). Today environmental issues take a back seat as other causes like HIV/AIDS get heavy donor funding, even though Macedonia has only around 70 known cases at last report, while other public health problems arguably more acute (e.g., alcoholism) get relatively little attention.

But a smoothing out of the faddism would not solve the problem. As we have noted at several junctures in this report, single donors cannot do everything, and the priorities in Macedonia clearly lay in other directions over the last several years, so we are not laying blame with these remarks. But this evidence of opportunity cost should be noted.

5. RECOMMENDATIONS FOR FUTURE USAID EFFORTS TO FOSTER CIVIL SOCIETY DEVELOPMENT

In this section we present our main recommendations to USAID/Macedonia, which we hope will prove useful in informing future mission strategy in the DG sector. Our first two priorities are:

- To help build a critical mass for the civil society sector at national and local level;
- Closely allied to the the first priority, to take advantage of the new Local Self Government law to strengthen the demand side of the civil society-local government relationship in collaboration with USAID's ongoing LGRP initiative now addressing the supply side.

Three further priorities would be:

- To improve the relations between civil society and the media;
- To maintain a balance between civil society assistance to minority and majority communities while supporting the minority's demands for full participation in the country's social, political and economic life; and
- To provide informal advice and counsel to EAR as it gears up its plans to support civil society in Macedeeonia.

These priorities overlap with each other, particularly the first two, which means that our recommendations will to some extent do so as well. In this section, recommendations will follow in essentially the same order as our discussion of key findings above. These suggestions are summed up in Table 8.

A. INSTITUTION BUILDING — THE CIVIL SOCIETY SIDE

Building critical mass — a multi-donor enterprise

Civil society has yet to attain the critical mass needed to become a serious actor at either national or local level. But to bring about either result lies well beyond the capacity of any individual donor. DNP is showing by illustration with its grantees what a well-managed and dedicated NGO should be growing to look like. CSHI's local presence and sensitivity to local context has provided a good model for on-the-ground involvement in supporting civil society. CBI has demonstrated how a quick-moving effort can induce citizens to work together to establish priorities for development. And LGRP has pioneered the CIC as an interface between city hall and the citizenry. But all of this, even if continued at present levels or to increase greatly, would still fall short of producing a civil society presence of the sort needed in Macedonia.

TABLE 8
Civil Society Assessment Recommendation Matrix

Issue	Problem	Recommendation
<i>Institution building — civil society</i>		
Critical mass	Lacking so far; Need too big for one donor	Collaborate with other donors to strengthen NGO community
Core funding/overheads	Volunteerism insufficient	Allow more overheads, more attention to sustainability
Coalitions for: <ul style="list-style-type: none"> • Critical mass • Increasing advocacy impact • Providing voice for NGO sector • Improving service delivery 	Collective action problem; Poor track record	Build coalitions <ul style="list-style-type: none"> • Support EAR at national level • Build on ECMI model at local level
Informal associations need nurturing	Little systematic knowledge about them	Study this neglected area; Craft support strategy
NGO support centers-local	Uncoordinated local efforts	Use CICs to support FOSIM/EAR initiative
NGO support center-national <ul style="list-style-type: none"> • Expertise • Policy-oriented research & analysis 	Lacking	Support MCIC, FOSIM, also DNP follow-on
<i>Institution building — government</i>		
New LSG law	Big opportunity should be seized	Collaborate with LGRP on building demand side
Mayoral dynamism	Weak municipalities	Will improve with LSG law
Empowering local government & civil society	Insufficient with current CBI & CSHI contracting	Gradual phase-in of increased responsibility for contracting
GOM relations with civil society	Central government unable to deal with civil society	Strengthen GOM's new NGO unit
<i>Institution building — parties</i>		
Present party system	Spoils system	NDI, IRI assistance
<i>Civil society & wider public</i>		
NGO image	Not positive enough	Work with Media Development Center, others
NGO-media relations	Immature on both sides	
<i>Targeting civil society support</i>		
Advocacy and ethnicity	Could prove counterproductive	Maintain a delicate balance
Geographical distribution of programs	Tilted toward crisis areas	More even spread of program investment to facilitate building regional strategies
Service delivery sectors	Some neglected — esp health	Can't do everything
<i>Changing donor dynamics</i>		
Scale of support to civil society	USAID downsizing while EAR scaling up	Informal counsel & advice to EAR

Instead, we would recommend exploring a collaborative multi-donor initiative in which larger players like USAID, FOSIM, MCIC and EAR could work with smaller ones like DFID, SIDA and the Dutch Embassy to foster the development of a civil society that could compel mayors and ministers to listen to citizen inputs and could exercise some accountability from them. Potholes would have to get repaired if NUs complained loudly, chemistry would have to be offered to Albanian high school students if enough parents demanded it, and the mayor would have to start lobbying the Ministry of Interior to order the local police and prosecutors to arrest and try repeatedly brutal husbands if a coalition of women's groups pressed the issue.⁵⁵ Similar national-level scenarios can be imagined at the Environment or Transportation Ministries.

To bring about the needed degree of coordination among donors would be a major challenge, to be sure. DG officers at USAID/Macedonia and their counterparts at other donors would find themselves spending much time at meetings, haggling over position papers, arguing with their home offices, etc. For USAID, the injunctions against "co-mingling" funds with those of other donors would pose additional obstacles. But there is virtually no likelihood that the present uncoordinated efforts mounted by a dozen and more donors supporting civil society initiatives will bring about anything like the critical mass that is needed.

An additional benefit of greater donor coordination would come in the service delivery side of civil society.

NGO overheads, core funding and sustainability

Except in a very few cases (e.g., some women's organizations in which the leaders have other full-time jobs), volunteerism in NGOs is not going to lead to sustainability. And NGOs struggling along by shaving expenses and overlapping successive underfunded projects generally cannot look forward to a long-term future either. In many cases, that is fine, for just as the great majority of small-business start-ups fail everywhere because they don't meet market demands, so too a large proportion of NGOs don't really have the potential to operate very long nor should they be kept on artificial life-support to do so. But each NGO sector in Macedonia does need a central component of sustainable NGOs to carry on its work — a flywheel, as it were, to maintain the momentum of the sector, and it is in the interest of both donors and Macedonian society to support the development of such components.

This may mean a couple of years' core funding to get several NGOs launched in key sectors, and it certainly means more donor thinking on what "sustainability" means or should mean in the Macedonian context. Perhaps DNP should focus on still fewer NGOs than it now does in order to get an inner group of NGOs fully launched in various sectors. Certainly considerably more effort could be devoted to amplifying efforts to build resource mobilizing abilities within the NGO community — selling services, direct fundraising appeals, contracts with local governments all seem possible approaches. A donor consortium (or consultative group if that seems a better approach) could think of allotting different sectors to different donors or groups of donors, so that two or three donors could work on assuring self-sustainability in the general health sector, while others worked on STD issues, on gender issues, minority education, environment, etc.

⁵⁵ This last example assumes that control over the police and judiciary will remain at national level, even after the other functions mentioned in the paragraph have been devolved.

Needless to say, there are some risks in pursuing a strategy like this. To select a small group of NGOs for the more intense assistance being contemplated here necessarily involves making hard choices — a bit like the Japanese MITI picking firms to favor in its industrial policy strategy back in the 1970s and 1980s. Some bad picks will doubtless be made. In any event, not all the NGOs thus assisted would survive, but hopefully enough would make it that a civil society presence would endure in these various sectors. Thus environment, human rights, gender, youth, etc., would have some serious ongoing civil society representation in the public policy arena.

Coalitions

One good way to accelerate progress toward critical mass would be to devote more support to building CSO coalitions. At both national and local levels, such groups have shown themselves capable of coming together, designing campaigns, and implementing them. As we have seen, however, these efforts tend to be episodic and need to be reinitiated when a new cause emerges. Experience helps, to be sure, and it is easier to launch a fourth or fifth campaign against violence or in favor of environmental clean-up than it was to put together the first one, but continuing coalitions built around such issues would have a lot more impact over time.

In addition to reinforcing and intensifying advocacy efforts, coalitions would also be most useful in providing advocacy for the NGO sector as such at both national and local levels. In Skopje, a grand coalition (perhaps a “coalition of coalitions”) could begin to represent the interests of the overall civil society community to the GOM on matters of tax structures, NGO representation on official government commissions, coverage in the public television and radio system, etc. Perhaps more importantly, a central voice for the NGO sector could begin to establish domestically determined priorities for civil society work, instead of basically responding to donor trends. EAR has announced plans to explore the development of a national “platform” for the NGO community that would take on some of these functions. A high priority for USAID should be to exchange thinking with EAR on this initiative, with an idea to cooperate with them wherever feasible.

At the local level, coalitions could speak for the NGO sector in matters regarding such matters of common interest as municipal office space, regulations on campaigns (particularly demonstrations), relations with the business sector (for instance dealing with the chamber of commerce), and so on.

Finally, on the service delivery side, coalitions — perhaps organized by activity into health, gender, minority, environmental, etc. — could serve as clearing houses or fora for exchanging best practices, training expertise and the like.

As pointed out earlier, there are a number of challenges here. Not the least is a history of failed attempts to construct coalitions, free rider problems, competitiveness between NGOs (especially for donor grants in a particular area), and the fact that a very large proportion of NGOs are the creations of dynamic leaders possessed of large egos and not much given to compromise. Even so, the potential benefits of coalitions are large enough to justify USAID investment, which we strongly recommend. The allocations required to promote coalitions need not be large, there is already some indication of interest in such a prospect from EAR, and there is a great deal of experience available from other countries (the Philippines, India, Bangladesh, and Bolivia are all examples), including some in the E&E region such as Armenia.

Formal and informal associations

The present DNP work in strengthening already capable NGOs should continue. Virtually all the grantees we met with thought the training in program design, management, monitoring, etc., was most worthwhile, on balance outweighing problems with the long waiting period for approval, the reluctance to fund overheads, and the small overall size of the actual grants, so there is clearly something valuable occurring here. The conclusion we draw is that DNP is serving a much-needed function in fashioning a group of models that will illustrate how well-run NGOs should operate. This in fact may well be the lasting contribution that DNP will make in Macedonia. Accordingly, it makes sense to continue this support, even expanding it with longer term grants that could include some overhead costs to assure a sustainable NGO presence in key sectors.

Informal associations need support also. By definition, they don't get onto the NGO radar screen, for they don't register as formal NGOs and so don't get included in any tabulations like those assembled by MCIC. But they constitute the only contact that most citizens have with local government (NUs) and provide a large share of the services people avail of (sports clubs, women's social groups, etc.). Yet little is known of them — how prevalent they are, how many people of what sort use them for what purposes, and so on. In our group session surveys, we found that about one-quarter of the NFO representatives said their organizations began before independence, while just over half began during the crises of 1999 and later. Thus some like the NUs were already in place, but were they going concerns, ready to be tapped to prioritize citizen interests, or were they at best ghost-like memories revived as one-time gatherings to fulfill project requirements? What about the larger group of new NFOs? Did they simply spring into existence to avail of donor funds? Were some in effect created by energetic mayors? How about the areas where these USAID (or similar efforts from other donors) don't penetrate — what kinds of informal associations exist there, if any? We really don't have more than impressionistic ideas on these matters. But one or two social anthropologists on a short research effort could give some very interesting answers. Such a study would be an excellent small grant project.

NGO support centers

A kind of donor consortium has already started work in this sphere of activity, in the form of the new FOSIM/EAR program to develop eight new local NGO Support Centers that will complement the four already put into place with SDC support, an effort begun in 2000. The eight centers, to be supported with grants of some €150,000 for two years each, will foster the development of the NGO sector by offering technical assistance as well as training to NGOs in their catchment areas. A natural complement to the centers would be the LGRP-sponsored CICs, now operating in 14 municipalities. The CICs were supported with one-year grants, which in many cases would have run out, but some small follow-on support from LGRP would enable the CICs in place to coordinate their efforts with the new NGO support centers, and new ones could take on this task as part of their functions.

How the centers — whether the EAR/FOSIM or the CIC type — will survive when their initial support runs out is far from clear. Can they find ways to sustain themselves, perhaps with some combination of municipal support and fee-for-service technical assistance to local NGOs? MCIC reports having tried setting up similar local centers in the 1990s and finding it too costly

with little prospect of self-sustainability. The new LSG law will make more funding available to municipalities that could be used to support such centers, but whether they will do so is another question altogether.

At national level, there has also been some movement toward building a center of NGO expertise, but it has been generated more from the Macedonian side than from the donors. The MCIC, founded in 1993, has become something of a heavyweight in NGO sectors, pulling in grants from many sources and now acting as a donor itself in awarding small grants. It offers training to NGOs as an intermediate service organization (ISO) on a fee-for-service basis in numerous areas. And its research enterprise shows beginnings of a genuine think-tank that would generate its own agenda for policy analysis. In short, the MCIC has made a good head start on becoming the country's major national NGO support center.

It is likely to face some competition as an ISO from the present DNP office, however, if the latter carries through on its plan to become an independent and self-sustaining ISO after the present Demnet IV phase comes to an end in 2004. If the Macedonian civil society community gains enough in maturity by that time, there should be an adequate demand base to keep more than one ISO busy. USAID should certainly encourage DNP to move in this direction. In the meantime, though, USAID should not discourage MCIC or the NGO Support Centers from offering these services on the grounds that DNP's successor organization might do so at some future point. Macedonia needs an ISO now.

Not the least service a national center could provide would be to lead an effort to establish standards for good NGO behavior in terms of self-reporting, internal management, external presence on boards of directors, accounting, and the like. Here DNP would have some comparative advantage based on its experience with training grantees in its DemNet IV program, an experience it could use to set standards and train successive NGOs to attain them. Such a service would be of great value to the Macedonian NGO community.

Another question is whether MCIC should also be encouraged to lead an effort to establish a voice for the civil society community in dealing with the GOM — perhaps even itself to become that voice — along the lines suggested above in the subsection on coalitions. Would there be some conflict of interest if the same organization is at once the leading NGO support center and think tank, is a leading donor, and the leader of the NGO community in relating to the GOM? An answer is beyond our capability at present, but deserves careful thought in USAID and donor circles more generally.

B. INSTITUTION-BUILDING — THE GOVERNMENT SIDE

Just as civil society needs to be fortified in order to deal with government, so too government needs to be strengthened in order to relate to civil society. In the Yugoslav period a key problem of governance was an authoritarian and overgrown state that thought it did not have to deal with civil society. Today in Macedonia the analogous problem is a weak state in many ways incapable of dealing with civil society. The state's capacity to curb corruption, regulate illegal behavior, preserve the environment, provide good education and health services, offer potable water, etc., has severely eroded. A good part of these deficits could be made up with civil society service delivery — in effect a substitute for services formerly (if imperfectly) provided by the state — but government needs to become capable of working with civil society

to get the services delivered. At the same time, government needs to become better able to respond to the advocacy demands made upon it by civil society — to correct inadequate or unacceptable bureaucratic behavior, to include NGOs in making public policy, and so on.

Local level

USAID-assisted decentralization support programs in many countries, within the E&E region as elsewhere, have combined efforts to strengthen both the “supply side” of local government and the “demand side” of local civil society in conjunction with each other.⁵⁶ LGRP has been focusing its energies mainly on the supply side, as per its mandate, but has given some attention to the demand side as well, with such activities as assisting in setting up several citizen advisory boards on a pilot basis, and crafting a plan to experiment with citizen boards for providing input in selecting school principals when that authority gets devolved to municipalities as the new local self-government law goes into effect. But there could and should be a good deal more collaboration between USAID civil society programming and LGRP, directed for instance at helping mayors cope with the citizen demands that are sure to mushroom rapidly as various new functions get devolved in the next couple of years.

The restrictions placed around local level contracting procedures were doubtless well advised in the early days of the CBI and CSHI initiatives, to ensure quality control and minimize corruption. But now that these procedures have become well established, it would be good to ratchet the controls back a bit and allow for more local participation. CBI of course is about to end, but for the remaining life of CSHI local officials and citizen groups could be given a more formal role in the implementation and monitoring phases of contract work and gradually included in the tendering process as well. This kind of gradually increasing responsibility should improve their ability to supervise such work after CSHI ends and they will be handling all phases of whatever contracts they undertake. An improved ability to do so could be an important legacy for CSHI.

National level

At the national level, the Sector for European Integration is in process of launching an office for GOM collaboration with the non-governmental sector, as part of its effort to bring Macedonian practice up to EU standards.⁵⁷ So far, the idea extends only to a small effort to get some official-level grasp of the nature and extent of the CSO sector, but this could be the first step toward the “partnership” with the sector that the officials in charge of the enterprise say they want. Certainly it is an opportunity that should be pursued.⁵⁸

Dangers lurk, of course. Not a few countries have used an NGO office or bureau as a central mechanism for controlling the NGO community rather than for facilitating relations with it. But as the civil society sector matures, it should be capable of developing the kinds of tactics (access to the media, advocacy campaigns in its own behalf as a sector, protests to foreign donors, and in this case an appeal to the EU bodies that are setting the standards in the first place) that could neutralize any such attempts. And the possibility of having one central GOM office to deal with on matters affecting the NGO sector as a whole makes it worth while to assist in strengthening this new office.

⁵⁶ See for instance Lippman and Blair (1997) on Ukraine.

⁵⁷ See GOM (2003).

⁵⁸ ICNL has been providing some advice on setting up this new office.

C. INSTITUTION-BUILDING — POLITICAL PARTIES

In addition to its toxic effects on much of public life in Macedonia, the country's pernicious, spoils-based party system has had corrosive effects on civil society as well. If one of civil society's basic functions is to act as intermediary between citizen and government, and if people generally believe that government at all levels operates mainly to dispense patronage and favors, civil society is in deep trouble. If a CSO succeeds in gaining some benefit from government for its constituents, people will condemn it as corrupt, and if it fails to deliver on benefits, they will disparage it as useless.

There are a number of ways to help civil society extract itself from this unhappy position. One is to try to improve the party system, especially inducing the parties to ground themselves on coherent programs rather than opportunism, and to see themselves as representing constituent interests and issues rather than seekers after the spoils of office, and particularly (from the civil society point of view) to perceive themselves as amenable to citizen-generated ideas and accountable to citizen-based concerns.

We found the NDI devoting some of their energies to efforts along these lines, and discovered at least two of the German party-oriented *stiftungen* (Konrad Adenauer and Friedrich Ebert) working along similar lines. Time did not permit us to meet with the IRI, but we imagine it is pursuing a parallel tack in its operations. We would recommend that these efforts continue with as much donor backing as possible. The present party system and the citizen mentality it perpetuates has to be regarded as inimical to civil society; all efforts to change it should be encouraged.

D. CIVIL SOCIETY AND THE WIDER PUBLIC

We have devoted some discussion in this report to the negative public image that presently encumbers NGOs. Some of this should fade away with time, as the conditions of 1999 and 2001 that brought flush donor funds and incentives for opportunistic behavior recede further into the past. The various NGO shells and fronts that were launched in search of donor funds will have withered and disappeared, as well as the well-meaning ones that never lived up to expectations, leaving the survivors a healthier sector. If it gets up and running, a national NGO center establishing performance standards would — assuming increasing numbers of NGOs embrace the standards — also improve the community's image. A third factor ought to be increasingly effective NGO performance as these groups gain experience at delivering services and advocating their agendas.

These improvements, though, will come as by-products of other developments. A more direct approach to enhancing the public image of NGOs would be to work with both the community itself and the media to improve their mutual relations. One effort in this direction is that currently carried on by the Media Development Center, which has established an Information Center for NGOs. Based on its work in dealing with the media during the 2002 election cycle, the Info Center is trying to function as a central point in coordinating NGOs to contact media and to enable them to understand how the media operate and what they are looking for. So far, says the Info Center, SDC and FOSIM have said they would press their grantees to use the Info Center to learn ways to better deal with the media. USAID contractors might consider the same approach.

E. TARGETING CIVIL SOCIETY SUPPORT

We found three dimensions for possible concern about how USAID has targeted its civil society assistance: the ethnic balance; geographical distribution; and sectoral allocation. None are amenable to easy solution, but at least the first two should be given some attention in future USAID programming in this DG subsector.

The ethnic dimension

In response to the crises of 1999 and 2001, and also in support of implementing the Ohrid Framework Agreement of 15 August 2001, USAID has targeted much of its civil society support to minority communities in Macedonia, in particular Albanians, and to a lesser extent Roma people as well as some other smaller groups. Is it time to stop this channeling, to return to a “normal” or at least proportional allocation of civil society support?

On the one hand, while the tensions that gave rise to the crises have abated, few if any would suggest that they have been resolved. Albanians and Macedonians still live largely separate lives at home, at work, and even in school. The Framework Agreement will give Albanians a firmer grasp on a guaranteed place in the social and political system, but it won't wipe out the grievances of centuries. Many more changes will be needed for this to happen, particularly in the economy.

On the other hand, a great many Macedonians — probably the majority of this majority population — feel severely abused by a history that neglected them under the Ottomans, left them as poor cousins in the Yugoslav federation, has relegated them to sub-culture status in the eyes of the Bulgarians next door, and now won't even allow them a flag and national name of their own choosing because of Greek insecurities to the South. Foreign assistance programs emphasizing minority ethnic rights inevitably lead to some further resentment. And if too much support goes to the minority, the effects could become counterproductive for relations between the two communities.

All this makes for a difficult situation indeed, and the immediate outlook at both macro-level and local level does not appear especially promising in the short run. Important national level politicians have been publicly undermining the Ohrid Framework Agreement, while a recent EAR report finds that while local multiethnic support activities may well have had an important palliative effect, they have done little to curb increasing tendencies toward separation between the two major ethnic communities.⁵⁹

Interestingly, this dilemma offers a chance for USAID to draw on our own recent public policy history in relations between the majority white and minority African-American and Hispanic communities, as well as what is now unfolding in many Western European countries as they deal with growing immigrant communities among their native populations. Further useful experience can also be gleaned from Canada, from anglophone-francophone relations in recent decades. The challenge in all these settings has been to encourage and support minority communities with various kinds of affirmative action programs (though the term itself appears to be used only in the United States) that provide some additional opportunities while at the same time trying to as-

⁵⁹ See Economist Intelligence Unit (2003: 12-18); and EAR (2003).

sure the majority community that the playing fields of education and employment have not become unfairly tilted against them. The process has been uneven, subject to demagoguery from politicians, and at times has induced isolated instances of violence. And as continual court cases illustrate (at least in the US), policy solutions constantly need modification. But the overall outcome of these policies over the last several decades in North America as well as in a number of European countries has meant significantly greater opportunities for minorities to attain better education, jobs, and status. A generally rising economy has surely helped materially, but the social policies have played a major role as well. This kind of approach will require a delicate political calculus in the Macedonian setting, especially given a weak economy, but we do not see any other having a chance to succeed in keeping the country together in any semblance of harmony.

The geographical dimension

The implication of our discussion just above for USAID assistance to civil society is to maintain programs promoting minority issues and multiethnic activism while at the same time continuing to support initiatives in the South and East of the country, where the population is more homogeneous. In programmatic terms, this would mean continuing with something like today's geographical distribution of CSHI and DNP funding after CBI has shut down. That would change the balance somewhat away from the West and North, but would still give those areas a bit more emphasis than the others. To be sure, we have to recognize that modestly sized USAID-assisted civil society activities in Macedonia are not going to have anywhere near the impact that minority programs have had in North America and Western Europe, but they will have some effect, and it is wise to keep in mind that symbolism is important. Macedonians, especially opinion makers, do take notice of such matters, particularly when it is the United States setting the tone.

All this is a somewhat roundabout way of saying that the USAID program should carry on as before. But the stakes are important here, and we believe that what is decided on the ethnic front should be thought through very thoroughly before being undertaken. Certainly it would be worth engaging a consultant who has worked on similar problems elsewhere, e.g., in Canada.

The sectoral dimension

We noted earlier that the USAID programs favor some sectors (gender, minority rights, to a lesser extent education for minorities, environment, youth and culture), while giving much smaller attention to others, most notably health. The absence of health focus is slightly mitigated by assistance through DNP for drug addiction and HIV/AIDS but the sector is otherwise absent, most likely because the Mission has no Strategic Objective for health. Given the modest and shrinking size of the total USAID program in Macedonia, it would probably be unwise to move into health in any serious way with the civil society program. Better to concentrate on doing fewer things well.

F. SCALING UP IN SUPPORTING CIVIL SOCIETY

While most of the talk in the donor community — including USAID — revolves around downsizing assistance programs, there is at least one reverse current as EAR begins to set forth its ideas for increasing aid to Macedonia. EAR has recently announced a €270 million program for the former Yugoslavian countries, of which a good portion (as yet to be determined) will go to Macedonia, and in turn a significant portion of that sum will be designated for civil society

activities. At present, EAR's internal rules prevent it from employing intermediary organizations like DNP, Berger or IOM to "retail" grants in small packages, but at the same time, it is incapable of repackaging large allocations into smaller grants itself. Our impression was that EAR will most likely resolve this dilemma by working through an organization like MCIC, but however it deals with the problem, within a fairly short time there will be a very large player on the civil society scene dispensing grants, either through intermediaries or in its own right.

The fact that EAR is presently confronting these issues offers a great opportunity for USAID to draw on its own rich experience in just such matters to offer advice and counsel. USAID boasts a considerable history of engaging intermediary organizations, most often American NGOs (or Private Voluntary Organizations — PVOs, as they are often referred to within USAID) to retail small grants, as it has done with its three civil society programs in Macedonia. This comparative advantage over other donors should uniquely qualify USAID to advise EAR as to best practices in following a similar course. And in the process USAID would have the opportunity to effect significant coordination between its own diminishing support for civil society and EAR's expanding support. USAID, EAR and most importantly Macedonian civil society would stand to benefit immensely from such a collaboration.

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ANNEX A

ACRONYMS

AARP	American Association of Retired Persons
CAP	Community action plan (part of DNP)
CBI	Confidence Building Initiative
CBU	Confidence Building Unit
CIC	Citizen Information Center (LGRP program)
CIDA	Canadian International Development Agency
COZM	[national women's association]
CRS	Catholic Relief Services
CSHI	Community Self Help Initiative
CSO	Civil society organization
DFID	Department for International Development (United Kingdom)
DG	Democracy and governance
DNP	DemNet Program
EAR	European Agency for Reconstruction
ECMI	European Centre for Minority Issues
EU	European Union
FOSIM	Foundation of the Open Society Institute in Macedonia
GOM	Government of Macedonia
GTZ	Gesellschaft für Technische Zusammenarbeit (Germany)
HIV/AIDS	Human immunodeficiency virus/Auto-immune deficiency syndrome
HOPS	Healthy Options Project Skopje
IMF	International Monetary Fund
IRI	International Republican Institute
ISC	Institute for Sustainable Communities
ISO	Intermediate support organization
IT	Information technology
LEAP	Local environmental action plan (part of DNP)
LGRP	Local Government Reform Project
MCIC	Macedonian Center for International Cooperation
Megjashi	[used as acronym for First Children's Embassy in the World]
MOST	Citizen Association for Democratic Institutions
MP	Member of Parliament
NDI	National Democratic Institute
NFO	Non-formal organization (in Macedonia, a non-registered organization)
NGO	Non-governmental organization (in Macedonia, a registered organization)
NU	Neighborhood Unit
OIM	Organization for International Migration
OTI	(USAID) Office of Transitional Initiatives
PTA	Parents & teachers association
SDC	Swiss Development Corporation
SDSM	Democratic Social Alliance of Macedonia (Macedonian acronym)
SIDA	Swedish International Development Authority
SOW	Scope of work

UNDP United Nations Development Programme
UNICEF
UOWM Union of Women in Macedonia
VMRO Internal Revolutionary Macedonian Organization (Macedonian acronym)
ZELS

ANNEX B

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ANNEX C

SCOPE OF WORK FOR THE ASSESSMENT OF THE CIVIL SOCIETY SECTOR IN MACEDONIA

April 2003

I. SUMMARY

The United States Agency for International Development (USAID) in Macedonia seeks the services of a Contractor to assess the present state of civil society in Macedonia and the continued validity of the strategies underlying USAID's previously conducted and ongoing activities in the civil society area. The findings and recommendations of the Civil Society Sector Assessment will serve as the basis for shaping the Mission's future assistance in this area.

II. BACKGROUND

Since its independence in 1991, Macedonia has faced serious political and economic challenges however the biggest threat emerged with the outbreak of armed hostilities between ethnic Albanian guerillas and the Macedonian security forces in February 2001. The conflict had a deleterious impact on Macedonia in that it polarized society, heightened inter-ethnic tensions and brought the economy to the point of collapse. Following serious international pressure, the President and leaders of the four largest political parties in Macedonia signed the Framework Agreement (FWA) that was brokered by the international community. The implementation of the FWA, as the sole instrument towards peace and reconciliation of the country, is the highest priority for the government. Aspects of the FWA serve to address deficiencies in Macedonia's democracy and civil society. Weaknesses in Macedonia's democratic institutions were evident even before the conflict. For the most part democratic institutions including civil society organizations (CSOs) in Macedonia are not mature. The reasons for this are numerous, starting from a centralized and politicized system, lack of checks and balances and a poor economy. The weak democratic institutions contribute to the low level of confidence among Macedonian citizens in their democracy. Citizens, regardless of their ethnicity, feel alienated by the country's elite-dominated political system. In a post-conflict setting, Macedonia encounters the dual task of building an integrated civil society among different ethnic groups, and at the same time, developing a viable economic base. To increase citizen participation in decision-making, improve ethnic tolerance and foster multi-ethnic cooperation, civil society must grow into its role to become better able to represent and respond to citizen's views and carry out oversight responsibilities of government.

The USAID development assistance program was initiated in Macedonia in 1993. Improved democracy has been one of the three strategic objectives (SO) of the assistance program. In terms of civil society, the priority of the program has been to strengthen the organizational capacity of local CSOs to better represent and advocate for the interests of citizens in the public policy decision-making process and to increase their ability to take an active role in improving the lives of Macedonian citizens. The two main activities in this area are the Democracy Network Program (DNP) that began in 1995 and the Community Self-Help Initiative that has

been operative since 2000. In addition, the Organization for Transitional Initiatives (OTI) launched the Confidence Building Initiative (CBI) as a result of the conflict in 2001.

For more detailed discussion of the USAID/Macedonia assistance program and other relevant documentation, please refer to the USAID public website www.usaid.gov, or the USAID/Macedonia website www.usaid.org.mk.

III. OBJECTIVE

A) PURPOSE OF THE ASSESSMENT:

The contractor will provide USAID Macedonia with an assessment of the capacities and needs of Macedonia's civil society organizations (CSOs), and make programmatic recommendations for potential future assistance to further strengthen CSOs.

Specifically, the contractor will:

- 1) Assess the present state and needs of civil society in Macedonia, with a focus on identifying the strengths and weaknesses of CSOs in encouraging greater citizen participation;
- 2) Assess the validity of existing Mission strategies, including current targets and indicators for assessing progress in participation and for strengthening civil society's role in democratic development; and
- 3) Make recommendations based on these findings for areas in which USAID might focus future assistance to foster the development of civil society in Macedonia.

The Contractor will assess the present status of civil society in Macedonia and the continued validity of the strategies underlying the civil society activities within the Mission's Strategic Objective (SO) 2.0 More Legitimate Democratic Institutions and Intermediate Result (IR) 2.1 Increased Citizen Participation in Political and Social Decision-Making. These activities include: the Democracy Network Program (DNP) implemented by the Institute for Sustainable Communities (ISC), the Community Self-Help Initiative (CSHI) implemented by Louis Berger and the Confidence Building Initiative (CBI) implemented by the Organization for Transitional Initiatives/International Office of Migration (OTI/IOM). It should be noted that CBI was not designed to contribute to SO 2.0, however its activities do contribute to this SO and IR 2.1. The objective of the assessment is to learn from the experiences of previous years of effort, both by USAID and other donors in Macedonia, and to gain insights as to where donor assistance might be most effective in supporting civil society development in the future. An important element of the assessment is to identify a vision for civil society based on the views of Macedonians, and to recommend the main lines of assistance necessary to realize this vision. The product will be a final assessment report that discusses the present state of civil society in Macedonia, the validity of existing Mission strategies and recommendations for areas for future assistance.

IV. STATEMENT OF WORK

1) Assess the present state and needs of civil society in Macedonia, with a focus on identifying the strengths and weaknesses of CSOs in encouraging greater citizen participation

The contractor will prepare an analysis that assesses the current and potential effectiveness of CSOs in Macedonia's local and national level democratic development. The assessment should also seek to identify the primary internal and external constraints to CSO effectiveness in increasing citizen participation.

The analysis should address the following issues:

1.1) Context for Civil Society in Macedonia:

The contractor shall provide a brief overview of the key historical, political economic and social factors that have shaped civil society and its evolution in Macedonia. The contextual review should also highlight current policy issues and potential opportunities for future CSO development.

1.2) Assessment of the present state of civil society in Macedonia and analysis of the needs and capacities of CSOs

The contractor will provide an analysis of the potential and actual contribution of CSOs in Macedonia's democratic development, with a particular focus on CSO contribution toward the goal of increasing citizen participation in political and social decision making (IR2.1). The assessment should identify the underlying contextual and organizational constraints faced by CSOs, as well as highlighting their existing capacities and achievements. The sector assessment should include, at a minimum, a discussion of the three issues listed below.

a) The assessment should focus on the current effectiveness of CSOs as contributors to Macedonia's democratic development.

In particular, USAID Macedonia is interested in an assessment that answers the question whether and to what extent CSO's are effective in advancing the following goals:

- Stimulating increased citizen interaction and forms of associational life, including inter-ethnic cooperation and dialogue.
- Encouraging local self-help actions and citizen-driven initiatives (i.e., citizens mobilized, communities engaged)
- Promoting inclusive local participatory processes between local government and citizens
- Increasing citizen participation in public policy debates (i.e., engaged and aware citizenry at local and national level)

- Increasing CSO and citizen influence on public policy and oversight of public institutions at the local and national levels

The assessment team should determine the extent to which CSOs in Macedonia are engaged in pursuing these goals, describe how they are attempting to achieve these goals, and provide a preliminary assessment of CSO effectiveness in achieving these goals.

The assessment should consider whether there is an apparent difference in effectiveness between USAID supported and non-USAID supported CSOs, and if possible, between donor and non-donor supported CSOs.

b) The assessment should include a discussion of the key constraints impeding CSO effectiveness in advancing the goals identified in 1.2)a) above.

The analysis should identify both organizational and contextual constraints which serve to limit CSO effectiveness in promoting democratic development. The team should seek to identify specific internal constraints and point out general areas of weakness, such as fundraising or advocacy.

For example, if CSOs are found to be weak in national level advocacy, the team should identify the specific constraints that impede greater effectiveness in advocacy. Internal constraints may include a lack of policy analysis skills, poor communication and outreach abilities, a reluctance to tackle national policy issues, or a lack of organizational and institutional capacity. Contextual constraints on advocacy might include a lack of participation and limited access to media.

c) The contractor is encouraged to assess the specific needs, roles and capacities of different types of CSOs.

Based on the problems identified under IV.1.2)b) above, the contractor should develop a typology of CSO's to be used in an analysis of the different capacities, needs, missions and potential development contributions of the various organizational types.

Possible categories to be used are listed below. These are meant to be illustrative only, and the contractor will develop a typology it deems to be most useful. The mapping report to be provided by USAID may provide a base of information from which to develop a typology. The study will exclude trade unions and the media.

- **informal, citizen groups:** non-professional, part-time, usually address multiple issues, geographically defined, may be temporary or lasting.
- **community-based organizations** –more organized small scale membership organizations with a self-help focus (i.e., members are beneficiaries), can be single issue or focused on community development (Example, parent-teacher associations). Can be registered as an NGO or remain unregistered.
- **associations** – membership-based organizations, based on a shared interest, usually defined professionally, rather than geographically. Examples include, sheep farmers association and student unions.

- **development NGOs** – often professional organizations play an intermediary role (between donors and beneficiaries, government and citizens), work in the public interest rather than in their own self interest, can be involved in service provision, advocacy or both.
- **‘trustee’ NGOs**- public interest NGOs, generally without a direct constituency or membership. For example, Transparency International, media watchdog groups, anti-corruption groups, policy think tanks, and human rights organizations.
- **umbrella organizations**- organizations whose members are organizations
- **Intermediate support organizations** - NGOs that provide support services to other NGOs

1.3) Assessment Methodology:

The sample of CSOs to be included in the assessment will be drawn from a national CSO mapping report being prepared under the Democracy Network Program, which identifies all registered CSOs in Macedonia. The contractor shall make an effort to also include unregistered community organizations in the assessment.

USAID implementing partner organizations will assist in identifying a number of local organizations in the various categories, for interviews and site visits. Interviews should also be conducted with other stakeholders, including donors and government officials. CSOs sampled should not be limited to those receiving USAID support.

2) Assess the validity of existing Mission strategies for strengthening civil society’s role in democratic development including current targets and indicators for accessing progress in participation

The contractor will review the strategies and activities being supported by USAID Macedonia, and assess the extent to which these programs are contributing to Mission objectives in support of democracy. The objective is to learn from the experiences of these programs and extract lessons learned that can be applied to the future assistance in this area.

2.1) Program Review

Programs to be reviewed are: the Democracy Network Program (DNP) implemented by the Institute for Sustainable Communities (ISC), the Community Self-Help Initiative (CSHI) implemented by Louis Berger and the Confidence Building Initiative (CBI) implemented by the Organization for Transitional Initiatives/International Office of Migration (OTI/IOM).

The contractor will provide an analysis of the following issues:

a) Which civil society activities have been most or least effective in contributing to the achievement of the Mission’s Strategic Objective 2.0 More Legitimate Democratic Institutions?

- Review the strategies underlying current civil society programs (DNP, CSHI and CBI), their methodologies, underlying hypotheses and goals. Determine the degree of overlap in terms of activities, inputs, and target groups.

- Outline the different programmatic strategies of DNP, CSHI and CBI and highlight their unique contributions toward promoting local and national democratic development. Refer to the goals of particular interest to USAID Macedonia listed in 1.2.a. In addition, assess the contribution of the different programs to encouraging greater inter-ethnic collaboration, dialogue and trust.
 - Assess the achievements and limitations of specific activities and methods employed by these programs.
- b) Which programs and/or activities have had, or are likely to have, sustained impact? Types of sustainable impact to be assessed include the following:**
- Have program activities led to sustained levels of community participation and continued citizen engagement?
 - Have program activities led to improved cooperation and collaboration among different ethnic groups?
 - Have activities led to outcomes that result in lasting, systemic changes to the social/political system, at either the local or national level (e.g., local government becomes more transparent, participatory systems become institutionalized)?
 - Are CSOs supported by USAID-funded initiatives continuing their activities after assistance has ended?
- c) Were there any unintended or intended consequences and/or effects of USAID-funded assistance (either positive or negative)?**
- Are programs generating dependency or contributing to a lack of sustainability among local CSOs?
 - Are CSOs able to attract additional funding on their own?
 - Are USAID programs supporting a diversity of CSO types and interests? Are any sectors of the population marginalized by the program?
 - Identify other unintended or intended consequences.
- d) Assess potential synergies/links with other USAID democracy programs, including the Local Government Reform Project (LGRP). Should the civil society programs be more closely linked with the LGRP or other democracy programs?**
- e) What civil society strengthening programs/strategies are other international donors supporting in Macedonia? Is there overlap with USAID programs?**

3) Make recommendations based on these findings for areas in which USAID might focus future assistance to foster the development of civil society in Macedonia.

Building on what has been accomplished and identifying lessons learned, what recommendations can be made for future USAID civil society support? The following topics are illustrative of the issues that USAID Macedonia would like the contractor to address. These should not constrain the contractor from pursuing other relevant issues based on the findings of its assessment.

USAID Macedonia would like recommendations on whether the development of civil society can be achieved through the current individual activities or can it better be developed through some more integrated activity that combines elements of each of the current activities.

- Which civil society support activities in terms of approaches and types of project activities have had the greatest impact, and which have been least successful in terms of achieving IR 2.1 Increased Citizen Participation in Political and Social Development?
- What activities should be added, modified, deleted, and/or continued?
- Are there any lessons learned regarding activity sequencing, tailoring inputs to specific target groups, or activities that are more likely to lead to more sustainable outcomes?
- Could successful activities be combined in order to heighten impact and take advantage of potential synergies?
- How might lessons learned from the CBI be incorporated into the new activity design?
- Do the current programmatic strategies address the key constraints, needs and opportunities identified in this sector assessment? Identify gaps in the provision of USAID support to CSOs.
- What can the program do to increase local involvement in the provision of support to CSOs and citizen initiatives, and reduce dependency on donor assistance?
- Are the Intermediate Results framed in the Amended Strategy still valid and achievable? How could they be further refined?

V. METHODOLOGY

An outside assessment team consisting of two expatriate (expat) assessment experts with expertise in the area of civil society development and one Macedonian expert (see section VII below for team skills required) will conduct this assessment.

The assessment team is expected to review existing monitoring and evaluation data collected by implementing partners of the DNP, CSHI, and CBI programs. In addition, the assessment team

will conduct interviews with USAID staff, partners and stakeholders in Macedonia. To the extent relevant, interviews will also be conducted with Macedonian government offices. The contractor will identify and interview CSOs receiving support from both USAID funded programs and other donors as well as non-donor supported CSOs, ensuring geographic and organizational diversity.

A) Before undertaking fieldwork, team members shall familiarize themselves with previous and current documentation about the civil society activities. USAID/Macedonia, DNP, CSHI and CBI will ensure that this documentation is available to the team after the contract is signed. The literature includes:

- USAID/Macedonia Amended Strategic Plan 2001-2004
- DNP Evaluation Report
- DNP Phase IV Proposal and Work Plan
- CSHI SOW and Task Order, and Quarterly Reports
- CBI SOW, Task Order, monthly and annual reports, and the recent evaluation
- DNP and CSHI Quarterly Reports
- 2002 NGO Sustainability Index Report for Macedonia
- USAID/Macedonia 2002 Democracy and Governance Survey
- National CSO Mapping Report
- Other referential or historic documents which might be identified by DNP, CSHI, CBI or USAID

USAID/Macedonia will provide the contractor with input and guidance in setting up a schedule of interviews and site visits, but the responsibility for the schedule is with the Contractor. The schedule will be defined as much as possible before the expat team members arrive in Macedonia and will be finalized as soon as possible after the team arrives in Macedonia. The draft schedule is to be submitted to USAID/Macedonia for review and comments at the initial team planning meeting.

Prior to fieldwork commencement, the expat team members will review background program documents to gain better understanding of the situation in Macedonia and the USAID activities supporting the development of civil society.

B) The Macedonian team member will receive a list of names from USAID for the team to meet with and initiate contacts with these groups. In general, the recommended institutions and organizations that the team should meet with are the following:

- CSO's both supported by DNP, CSHI and CBI and those non-supported
- Informal citizens groups both supported by DNP, CSHI and CBI and non-supported
- Other relevant USAID projects (Civic Education, Labor Unions, Media Development, Local Government Reform, etc.)
- Other Donors providing assistance to the local civil society sector (EAR, World Bank, UNDP, SIDA, Dutch, Swiss and Norwegian Governments, British Know-How Fund, GTZ, the Foundation Open Society Institute – Macedonia, the European Center for Minority Issues, etc.)
- The Macedonian Center for International Cooperation

- Transparency International
- Think tanks, academicians and other research institutions
- Macedonian Government – national and local

The assessment team is encouraged to identify and visit additional Macedonian organizations and groups both formal and informal, based on its review of materials and its determination of where useful examples might be found.

VI. DELIVERABLES

The team will prepare in the field a draft assessment report. The following sections shall be included in the report:

- An Executive Summary – (3- 5 pages) a document containing a clear, concise summary of the most critical elements of the report, including the recommendations.
- A Table of Contents
- An Assessment Report (no more than 40 pages), which discusses the major findings and the related issues and questions raised in Section IV. In discussing these findings, the assessment shall also address the following:
 - Purpose and study questions of the assessment;
 - Evidence/findings of the study concerning the assessment questions;
 - Briefly stated conclusions drawn from the findings (including lessons learned) and recommendations based on the assessment's findings and conclusions.
- Assessment Report Appendices, including:
 - A copy of the assessment scope of work;
 - Team composition and study methods (1 page maximum);
 - USAID/Macedonia's SO 2.0 I.R 2.1 results framework;
 - A list of documents consulted, and of individuals and agencies contacted; and
 - More detailed discussions of methodological or technical issues as appropriate.

A draft assessment report will be submitted to USAID/Macedonia at least 3 days prior to the assessment team's departure from Macedonia. A final debrief with USAID/Macedonia will be held prior to the assessment team's departure at which time USAID/Macedonia will provide preliminary feedback on the draft assessment report. USAID/Macedonia will provide the assessment team leader with final comments within 10 working days of the draft assessment report submission. The Contractor shall incorporate all comments and submit a final assessment report to USAID/Macedonia within 5 working days following the receipt of USAID's final comments. The USAID/Macedonia Cognizant Technical Officer (CTO) will be responsible for review and approval of the final assessment report. The report belongs to USAID not to the consultants or contractors and use of any material in the report by the contractor is expressly prohibited.

The Contractor shall be responsible for report production and will provide the final assessment report to USAID/Macedonia on a diskette (in Microsoft Word), plus 7 printed and bound copies. The Contractor shall also provide 3 copies to PPC/CDIE/DI in accordance with normal AID/W requirements.

VII. QUALIFICATIONS

ASSESSMENT TEAM MEMBERS

The assessment team should comprise of **two expat team members, one Macedonian team member and two interpreters.**

One Expat Team Member — Team Leader: should have at least 15 years of relevant experience in the assessment, development and/or implementation of civil society programs. Prior experience in conducting civil society assessments for USAID is strongly desirable. Professional relevant experience in Macedonia or in similar countries of Central and Eastern Europe is also strongly desirable. He/she must be fluent in English and have excellent writing and presentation skills

One Expat Team Member: should have at least 10 years of experience in the development and/or implementation of civil society programs. Previous experience conducting civil society assessments or evaluations required. Prior experience in conducting assessments or evaluations of USAID programs preferred. Professional relevant experience in Macedonia or in similar countries of Central and Eastern Europe is desirable. He/she must be fluent in English and have excellent writing and presentation skills.

One Macedonian Team Member: should have a very good understanding of the civil society sector in Macedonia. Knowledge of USAID and other assistance donors in Macedonia is desirable. Strong links into the research community required. He/she should be fluent in Macedonian and should have very good working knowledge of the English language. He/she should also be able to undertake certain logistical and administrative duties for the team. He/she should be hired by the Contractor ahead of time to arrange the schedule and coordinate logistics before the expat team member's arrival in Macedonia.

Two Interpreters: will have as their primary responsibility to accompany the expat experts and translate at meetings. In addition, however, they may be asked to prepare short summaries in English of important studies done in Macedonian on the civil society sector. It is recommended that at least one of the interpreters have Albanian language skills.

VIII. SCHEDULE AND LOGISTICS

The Assessment should commence o/a June 1, 2003. The expat team members should arrive in Skopje, Macedonia by June 6, and should plan to begin work on June 9. USAID will assist the local team member in setting up the schedule of interviews and site visits, however, the ultimate responsibility for the schedule is with the Contractor. The local team member should begin work approximately 10 days before the expat team arrives in Macedonia to take care of logistical arrangements and begin scheduling meetings for the team. The schedule will be defined as much as possible before the expat team members arrive in Macedonia.

The assessment team is expected to spend six weeks in Macedonia interviewing USAID staff, CBI staff, staff of civil society activities under USAID/Macedonia IR 2.1, CSOs that have received assistance under the USAID civil society programs and CSOs that have not received USAID assistance, representatives of other donor organizations providing assistance to the civil

society sector, researchers who have conducted research on the civil society sector in Macedonia, Macedonian government officials – national and local, and other program stakeholders.

The second day in country the assessment team will meet with USAID to establish clear expectations about the outcomes of the assessment and go over the goals, schedule and methodology of the assessment. The team will be required to meet with USAID/Macedonia halfway through the fieldwork and brief USAID on their progress and findings to date. At the beginning of the sixth week in country, the team will provide USAID/Macedonia with the draft assessment report for review. The team will also be required to give a final exit briefing to USAID/Macedonia on its findings, conclusions and recommendations. USAID/Macedonia will provide oral comments at the debriefing, and may follow up with written comments after the team members return to the United States.

IX. PROPOSED LEVEL OF EFFORT

Expat Assessment Expert Team Leader

3 days in the U.S. for preparation
35 days fieldwork in Macedonia
5 days follow up and report preparation
4 days of travel
= 47 days total

Expat Assessment Expert

3 days in the U.S. for preparation
35 days fieldwork
4 days follow up and report preparation
4 days of travel
= 46 days total

Macedonian team member

10 days preparation in Macedonia
35 days fieldwork
3 days follow up and report preparation
= 48 days total

Two Interpreters

35 days fieldwork in Macedonia
= 70 days total

A six-day workweek is authorized.

X. EVALUATION CRITERIA

Assessment Team = 60 points total:

Expat Team Leader = 25 points
Expat Team Member = 20 points
Local Team Member = 15 points

Expat team members will be evaluated on:

- Demonstrated knowledge of civil society issues
- Experience assessing or evaluating USAID or other assistance programs
- Relevant professional experience in Central and Eastern Europe

Local team member will be evaluated on:

- Demonstrated knowledge of civil society sector in Macedonia
- Strong links into the local research community
- Prior relevant work experience

Organizational Capacity = 25 points total

Organizational capacity will be evaluated on:

- Previous experience in conducting similar assessments
- Previous relevant experience in Central and Eastern Europe
- Previous USAID experience

The Contractor shall provide names, current e-mail addresses and telephone numbers of three references that can validate previous organizational experience in the above areas. References shall be checked for quality of work performed.

Cost effectiveness = 15 points – total

XI. SPECIAL PROVISIONS

Duty Post

Skopje, Macedonia

Access to Classified Information

The Contractor shall not have access to any Government classified material.

Logistical Support

The Contractor is responsible for providing all logistical support. Office space shall not be provided by USAID. The Contractor will be responsible for providing office supplies, equipment, computers, copiers, printers, etc. Translation services and vehicle rentals are the responsibility of the contractor.

Supervision

The team will work under the direct supervision of the USAID/Macedonia Cognizant Technical Officer (CTO). The CTO will be under the general direction and coordination of the USAID/Macedonia SO 2.0 Team Leader.

Performance Period

The Assessment will be carried out during an eight week period beginning on or about June 1, 2003.

ANNEX D
CIVIL SOCIETY ASSESSMENT TEAM
SCHEDULE OF MEETINGS

Date/Time	Place/organization	Meeting with	Title/activity
Monday, 23.06.2003			
10:00	Holiday Inn, Skopje	Ilo Trajkovski Mihajlo Popovski Lidija Dimova	Local expert Local expert Interpreter
19:00	ICNL	Katerina Hadzi-Miceva	Legal Advisor, Budapest Office, ICNL
Tuesday, 24.06.2003			
09:00 – 13.00	USAID Office	Kathy Stermer Melita Cokrevska Ivica Vasev Michael Wallace Christa Skerry Robert Resseguie Sladjana Srbinovska Zoran Stojanov	USAID Project Management Project Development CSHI – COP OTI-Deputy Country Rep CSHI Project Management IOM
15:30	OTI	Christa Skerry Zoran Stojanov Nives Mattich	Deputy Country Rep OTI IOM Country Rep
Wednesday, 25.06.2003			
9.00	ISC	Zoran Stojkovski Jelena Janevska Melita Cokrevska Nikica Kusinikova Zarko Koneski Kristina Kolozova	Project Manager Project Officer USAID Operations & Budget Training & commun. Program Coordinator
12:30	EAR, press conference	Jutta Bulling et al., announcing OSI project for local NGO support centers	
13.30	CSHI	Michael Wallace Stefan Koslowski Nebojsa Mojsoski Marijana Handziska Sladjana Srbinoska	COP – CSHI Sen. Community Planner Monitoring & Evaluation Istitute for sociological, pol. & juridical research USAID
Thursday, 26.06.2003			
14.00	USAID	Jutta Bulling, guest speaker	Monthly DG contractors meeting; EAR presentation
Friday, 27.06.2003			
16.30	USAID	Kathy Stermer	Team's initial workplan briefing
Monday, 30.06.2003			
11.00 -13.30	CSHI	Regional officers	
14.00-15.30	LGRP	William Althaus Kristina Hadzi-Vasileva	COP; Pgm Design Mgr
16.00-18.00	FOSIM	Slavica Indzevska	Deputy Director

Date/Time	Place/organization	Meeting with	Title/activity
		Suncica Kostovska	Pgm Coordinator, Civil Society
Tuesday, 1.07.2003			
12.00-13.00	EC Delegation	Nafi Saracini	Advisor-Civil society
13.30-14.30	Swiss Agency	Frosina Georgievska	Civil Society Officer
14.30-16.00	EAR	Jutta Bulling	Pgm Mgr, Civil Society & Social Cohesion
20.30-22.30	CSHI Rep. Bitola	Gordana Lozanovska	Regional Rep.
Wednesday, 2.07.2003 Bitola			
8.30-11.00	CBI Office	Christa Skerry Maja Mikarovska Katrim Park Zoran Tatarcevski	Deputy Country Rep. Finance/Admin. Ass. IOM Program Assistant
12.00-14.00	TV TERA	Ljubica Mangoska	Editor in Chief
16:00-20:00 NOTE: This should be the model for the other workshops, now divided by rows for each participant. See Workshops Ib, IIa, IIb, IIIa, IIIb, and IV (no "a" and "b" for this last one) Also, wherever participants are listed with number as is done here, the list should be consolidated as is done here.	Workshop Ia — NGOs 1) Felix Group 2) Felix Group 3) Women's Initiative KLEA 4) Turk Assn CELEBIA 5) Gardian – Bitola 6) Educ Network IMOR 7) Business grp (USA-MAC) 8) BIOSPHERE 9) BIOSHPERE 10) Youth Cultural Center 11) Youth Cultural Center 12) Human Rts Center AMOS 13) Children's Theatre 14) Children's Theatre Oscar 15) Open Communication 16) Balkan Association 17) Balkan Association 18) Association KNIIC 19) Association KNIIC 20) Albanian Women Assn 21) Women's Ass. Prestige 22) Envntl NGO Molika 23) Women's Ass. Prestige 24) Roma Cultural Assn 25) Sport Ass. Fenix 26) Women's Ass. Prestige 27) Ass. For Disabled 28) Ass. For Disabled 29) Civic Tracks 30) Civic Tracks	Hotel Epinal 1) Biljana Ginova 2) Fanija Naumovska 3) Sonja Danova 4) Muarem Sadik 5) Saso Angeleski 6) Jove Jankulovski 7) Vladimir Tilovski 8) Dance Apostoloska 9) Suzana Bosevska 10) Tose Ivanovski 11) Saso Dodovski 12) Saso Kocankovski 13) Dimitar Mihajlovski 14) Omer Zekirovski 15) Blagojce Stojanovski 16) Jani Servini 17) Zaneta Hristova 18) Aneta Stefanovska 19) Blagoj Bosevski 20) Naide Hasanovska 21) Radmila Stojanova 22) Petar Andonov 23) Masa Dimik 24) Ali Edce 25) Miroslav Jovanovic 26) Gordana Milosevska 27) Fance Georgievska 28) Mitko Fidanovski 29) Aneta Sijakova 30) Gorgi Josevski	Workshop participants
Thursday, 3.07.2003, Bitola			
9.00-11.00	City Hall	Igor Nedelkovski Violeta Nalevska Nikola Navmovski Valentin Soklevski	Council member NGO liaison Council member Council member
12.00-13.30	Envir. NGO Molika	Petar Andonov	
12.00 -13.30	Pece Cvetanovski	Local Newspaper	Journalist

Date/Time	Place/organization	Meeting with	Title/activity
16.00-20.00	Workshop Ib — NFOs	Informal Citizens Groups	
1)	PS Goce Delcev, Resen	Blaze Sokolevski	Workshop participant
2)	PS Car Samoil, Resen	Blagoja Jancevski	Workshop participant
3)	Municipality, Novaci	Stevce Angelevski	Workshop participant
4)	Municipality, Novaci	Drage Georgievski	Workshop participant
5)	JUDT Estreja Ovidije Maja, Bitola	Lidija Petrovska	Workshop participant
6)	PS Georgi Sugarev, Bitola	Nina Pozarska	Workshop participant
7)	PS Georgi Sugarev, Bitola	Valentina Petreska	Workshop participant
8)	PS Georgi Sugarev, Bitola	Borce Stefkov	Workshop participant
9)	PS Kiril I Metodij, Bitola	Elena Spasenovska	Workshop participant
10)	PS Dr. Trifun Panovski, Bitola	Igor Naumovski	Workshop participant
11)	PS Dr. Trifun Panovski, Bitola	Snezana Todorovska	Workshop participant
12)	PS Goce Delcev, Bitola	Mirjana Stojkova	Workshop participant
13)	PS Dr. Trifun Panovski, Bitola	Vele Popovski	Workshop participant
14)	NU Mogila	Mirce Natevski	Workshop participant
15)	NU Podino (village)	Bone Bosevski	Workshop participant
16)	NU Radobor (village)	Boris Mircevski	Workshop participant
17)	EKE – Malovista, Bitola	Dimitrije Gagic	Workshop participant
18)	EKE – Malovista, Bitola	Metkov Ilija	Workshop participant
19)	Road Fund, Krusevo	Todor Stepanovski	Workshop participant
20)	PTA, Kraviri village	Oliver Lazarevski	Workshop participant
21)	NU Kravari village	Bosko Geroski	Workshop participant
22)	Kindergarten Majski Cvet, Bitola	Fanija Janakievski	Workshop participant
23)	Kindergarten Koca Vasilevska, Bitola	Dobrica Mickovska	Workshop participant
24)	NU Jonce Murivski, Bitola	Pece Gatarov	Workshop participant
25)	NU Jonce Murievski, Bitola	Dragan Romanski	Workshop participant
26)	Village Lakocerej, Ohrid	Lazo Angeloski	Workshop participant
27)	NU Mogila	Zoran Georgievski	Workshop participant
Friday, 4.07.2003, Bitola			
8.00-9.30	Prestige (women grp) Prestige (women grp) Alb. Women NGO	Haide Hasanovska Radmila Stojanova Masa Dimik	Officers in the 2 organizations
8.30-10.00	Municipality Bistrica	Borivoje Gostevski Kire Grozdonovski Angelivo Velvovski Morjon Gerovski`	Mayor Council Member Council Member Neighborhood Unit
10.00-11.15	Municipality Mogila	Slavko Veleviski	Mayor
11.30-14.00	Mogila NU	Mirce Nesevski	NU President
10.30-12.00	Felix group (NGO)	Biljana Ginova	
13.30-15.00	Youth Cult. Centre	Tose Ivanovski Meri Dodovska	Pgm Mgr Pgm Mgr
Monday, 7.07.2003, Skopje			
9.00-10.30	GTZ	Marina Naumovska- Milevska Nikoleta Bogatinovska	Project Coordinator Technical Advisor
11.00-12.30	ZELS	Dusica Perasic	Executive Director
13.00-15.00	Inst for Sociological, Political & Juridical	Natasha Gaber Damjanovska	

Date/Time	Place/organization	Meeting with	Title/activity
	Research		
15.30	OTI evaluation team	William Millsap Emery Brusset	Sr Assoc, Social Impact Channel Research Ltd
20:00	Inst for Sust Communities	Paul Parks	COP
Tuesday, 8.07.2003, Skopje			
9.30-10.45	Democracy Institute	Georgi Ivanov	
11.00-12.00	Law Faculty	Borce Davitkovski	Law Professor
12.00-14.00	MCIC	Sasho Klekovski	Executive Director
14.30-16.00	DFID	Vesna Stamenkovska	
16.30-18.00	OSCE	Bart Dooge/Harry Broer	Police Dev. Unit
Wednesday, 9.07.2003, Tetovo			
9.30	Mayor of Tetovo	Murtezen Ismaili, PhD	Mayor
11.00	Loja, Center for Balkan Cooperation	Budar Luma	Director
13.00	ECMI		
14.00	Forum of the Albanian Women	Dzane Kresova	Director
16.00-20.00	Workshop IIa	NGOs from Tetovo	
(1)	Ljubisa Trpevski	Center for Democratic and Economic Development	bubarak-a1@hotmail.com mec_tetovo@mt.net.mk
(2)	Nebojsa Zaharievski	Youth Alliance	nzaharievski@yahoo.com
(3)	Goce Nastoski	Youth Alliance	gocenastoski@yahoo.com
(4)	Dzane Kresova	Forum of the Albanian Women	Xhane@diplomats.com
(5)	Mimi Georgievska	Women's Organization from Tetovo	ozt@mt.net.mk
(6)	Dimce Josifovski	Centre for Public Participation	cjo_mk@yahoo.com
(7)	Svetlana Mileska	Association "Happy Family"	svetlem@freemail.org.mk
(8)	Aleksandra Filipovik	Association "Happy Family"	fa_sanja@yahoo.com
(9)	Aljalin Hasani	Association for Sports and Recreation "Triumph"	070/ 604 897
(10)	Jusuf Aliu	NGO "Point"	jusufaliju@yahoo.com
(11)	Georgi Trpevski	MacAction NGO "Point"	jarka_dj@yahoo.com
Wednesday, 9.07.2003, Kumanovo			
9.15	Kumanovo municipal bldg	Slobodan Kovacevski	Mayor
10:30	Kumanovo municipal bldg, CIC office	Elizabeta Cvetovska Afrie Suleimani	CIC Coordinators
11:30	CSHI office	Natasha Stankovic	Field representative
12.30	Lipkovo	Usamedin Halili	Mayor
13.30-15.00	Ass.of Intelec. Alb. Women, Lipkovo	Dije Arifi	President
16.00-20.00	Workshop IIIa	NGOs	
(1)	Ass of Vlachs "Halca al Brova"	Nako Nikolovski	Workshop participant
(2)	Ass of Women "Bless"	Fetije Kjaili	Workshop participant
(3)	Ass of Alb. Intel. Women	Dije Arifi	Workshop participant
(4)	"Sinolicka" Kindergarten	Violeta Stosevska	Workshop participant
(5)	Primary School "11 th October"	Marina Manojlovska	Workshop participant
(6)	Primary School "H.T.	Violeta Sigankovska	Workshop participant

Date/Time	Place/organization	Meeting with	Title/activity
	Karpos," Mlado Nagoricane		
(7)	Roma Rights Forum "ARKA"	Feat Kamberovski	Workshop participant
(8)	Roma Rights Forum "ARKA"	Asan Memedov	Workshop participant
(9)	DAJA Roma Women Ass.	Dilbera Kamberovska	Workshop participant
(10)	SOS Kumanovo	Sonja Arsovska	Workshop participant
(11)	Linda - Inter. Women Ass.	Fatrije Arifi	Workshop participant
(12)	Public Communal Enterprise Kozjak, Stgaro Nagoricane	Dejan Jovcic	Workshop participant
(13)	Roma Dances and Songs Ensemble "Rusit Sakir"	Samet Salievski	Workshop participant
(14)	RDSE "Rusit Sakir"	Selimovski Martin	Workshop participant
(15)	RDSE "Rusit Sakir"	Memedovski Skender	Workshop participant
Thursday, 10.07.2003, Tetovo			
9.00	CBI/IOM	John Storey	
11.00-12.00	Youth Alliance	Nebojsa Zaharievski	
12.00-13.00	Centre for Democratic and Economic Development	Ljubisa Trpevski	
16.00-20.00	Workshop IIb	Beneficiaries of the CBI grants	
(1)	Primary school "Kiril i Metodij" (parents' council)	Vera Stanojevik	
(2)	Municipality of Vratnica	Saso Serafimovski	
(3)	Jh.f. Justikbali - Tetove	Benezar Jhabani	
(4)	Municipality of Bogovinje	Belul Musliu	
(5)	Sh. f. "Faik Konica" - Dobroste	Sehret Dzamili	
(6)	Municipality of Brvenica	Marina Acevski	
(7)	Primary school "A.S. Kikis" Tetovo	Nedelko Jakovcevski	
(8)	Local Self-Government of the Municipality of Tetovo	Ljubisa Dimitrieski	
(9)	Kindergarten "Mladost" Tetovo	Zejna Halimi	
(10)	Municipality of Zelino	Aluth Dzeladini	
(11)	Municipality of Dzepciste	Nasir Jonuzi	
(12)	Municipality of Bervenica	Arifa Idrezi	
(13)	Women's Creative Centre - Vratnica	Gorica Serafimovska	
Thursday, 10.07.2003, Kumanovo			
9.00	Daja-Roma Women Ass.	Dilbera Kamberovska	President
10.15	SOS Kumanovo	Sonja Arsovska	President
11.30	Linda Women's Ass.	Fatrije Arifi	President
12.45	ARKA-Roma Ass.	Vacil Ramadanov Asan Memedov	Secretary Treasurer
14.00	Bless NGO	Fetije Kjaili	President
16.00-20.00	Workshop IIIb	Informal groups	
(1)	Malo Nagoricane	Ivan Filipov	
(2)	n.u. Tode Mendol – group of citizens	Sande Krstevski	
(3)	n.u. Kozjak, Karpos settlement	Stojan Denkovik	

Date/Time	Place/organization	Meeting with	Title/activity
(4)	Karpos	Vlajko Stojcevski	
(5)	Dolno Konjare	Kuzmanovski Dragan	
(6)	Lojane village	Xhabir Islami	
(7)	Fenix 93 (company), Kumanovo	Xheladin Aziri	
(8)	Vistica	Zendeli Suat	
(9)	Primary School "Dituria", Lipkovo village	Isman Aliu	
(10)	n.u. Zeleznicka stanica, Kumanovo	Dragan Ilijevski	
(11)	n.u. Zeleznicka stanica, Kumanovo	Ivica Trencev	
Friday, 11.07.2003, Tetovo			
10.00-12.00	Jegunovce, Parents Council, Principal of the school, representatives from the local neighborhoods		
(1)	Parents' Council	Lidija Stojanovska	
(2)	teacher (Women's Organization)	Jovanka Gegovska	
(3)	Parents' Council	Violeta Simjanoska	
(4)	Parents' Council	Cvetanka Tuseva	
(5)	Parents' Council	Katica Blazevska	
(6)	Parents' Council	Kiro Masovski	
(7)	Parents' Council	Laze Jancevski	
(8)	President of the Parents' Council	Zora Dobrevska	
(9)	school psychologist	Violeta Dimovska	
(10)	Principle of the primary school "Aleksandar Zdravkovski"	Kostadin Tusev	
(11)	President of the local neighborhood Jegunovce	Svetozar Trpcevski	
(12)	teacher 1-4 grade	Daniela Zivkovska	
(13)	teacher	Ilinka Antovska	
12.00-15.00	Vratnica	Meeting with the women from the Women's Creative Centre, local citizens, Mayor of Vratnica	
(1)	Municipality of Vratnica	Toni Koceski	Mayor
(2)	Women's Creative Centre	Gorica Serafimovska	Member
(3)	Women's Creative Centre	Suzana Krsteska	Member
(4)	Municipal Council	Kosta Mihajloski	Member
(5)	Municipal Council	Saso Serafimovski	Member
(6)	Municipality	Koce Simoski	Citizen
(7)	Municipal Council	Mileva Mladenoska	Secretary of council
Friday, 11.07.2003, Kumanovo			
10.00	CBI	Shannon Martinez Kliment Stoilov Silvana Anastova Mohammed Ibrahim	Program Officer Program Assistant Program Assistant Program Assistant
11.00	Channal 77–Radio Station	Suzana Andonovic	Reporter
12.00	TV Hana	Nazmie Kamberi	Reporter
13.30	Union of Agricultural Producers	Sande Krstevski	President, local chapter

Date/Time	Place/organization	Meeting with	Title/activity
Monday, 14.07.2003, Skopje			
11.45-13.30	American Embassy	Elenor Nagi	DCM
14.00-16.00	USAID	USAID Mid-term briefing	USAID team
1)	Thomas Mehen	USAID Macedonia	
2)	Stefan Klosowski	CSHI	
3)	Emery Brusset	OTI	Consultant
4)	Zoran Stojanov	CBI	
5)	Christa Skerry	USAID/ OTI	
6)	Tanja Trajkovski	USAID	Program office
7)	William Millsap	OTI/CBI	Assessment team
8)	Ivica Vasev	USAID	
9)	Michael Eddy	USAID	
10)	Sladjana Srbinoska	USAID	
11)	Bob Ressequeie	USAID	
12)	Melita Cokrevska	USAID	
13)	Paul Parks	ISC	
Tuesday, 15.07.2003, Skopje			
9.30-10.45	NDI	Sheila Frauman	Country Director
9.30-10.30	CSHI	Dragan Eftinov	Field representative, Skopje region
11.00-12.30	Friedrich Ebert	Milinka Trajkovska Nina Trajkovska	
13.00-14.30	Konrad Adenauer	Andreas Klein	Country Director
15.00-16.30	Government	Dragan Tilev Elizabeta Buova	European Integration Sec.
17:00	CSHI	Natasha Stankovic	Field representative, Kujmanovo
Wednesday 16.07.2003, Skopje			
9.00-11.00	Medjasi Skopje First Children's Embassy in the World	Gordana Pirkovska Mitko Georgiev	Program Manager Program officer
11.00-13.00	Primary schools "Braka Ramiz i Hamid" and "26th July"	Saip Iseni – Ramiz I Hamid Raif Darlista – 26 th July	Principal Principal
13.00-14.00	Municipality Cucer - Sandevo	Vojslav Kirandjic	Mayor
14.00-15.00	Vizija NGO	Daniel Segmanovic	President
15.00-16.00	Pobozeje NU	Vojko Vojcevski	President
Wednesday 16.07.2003, Stip			
9.00-10.00	NGO Support Resource Center	Nevenka Longurova Adrijana Trendova Suncica Kostovska	Local Coordinator Local Coordinator Program Coordinator
10.00-11.00	Mayor of Stip + short visit to the CIC	Demtri Efremov	Mayor
11.00-14.00	Workshop IV		
(1)	Organization of the Consumers - Branch office in Stip	Snezana Paparova	
(2)	NGO "Detelina"	Marina Sumanska	
(3)	Eliksir	Akine Eminova	
(4)	Roma Association "Cerenja"	Enise Demirova	
(5)	"Vesta"	Magdalena Maneva	
(6)	"New Life" Anticancer	Violeta Eftimova	

Date/Time	Place/organization	Meeting with	Title/activity
		Dragana Mitrovik	
(7)	"Nadez" (Hope)	Suzana Marlova	
(8)	Environmental Society "Vinozito"	Borce Georgiev	
(9)	"Olimpija"	Dajana Panova	
(10)	Astibo	Liljana Nedelkovska	
(11)	Centre for Cultural Initiative	Ljubomir Manev	
(12)	Association of the Unemployed Citizens "Svetla Vizija"	Trajce Cefutov	
(13)	Association of the Turks from Eastern Macedonia		
(14)	Association for Humanitarian Activities "Synergy"	Elena Taskova	
(15)	Association of Roma Rights Protection	Emine Jusainova	
(16)	Association for the Fight Against Breast Cancer "New Side of Life"	Todorka Moskojceva	
(17)	Association of the Persecuted Macedonians "Egej"	Marija Vodenska	
(18)	Macedonian-Croatian Association	Vanco Indzekarov	
(19)		Aleksandar Zaharcev	
(20)	"Romani Asvina"	Enise Demirova	
(21)	"Vigor"	Marija Malinova	
(22)	Marketing Management	Trajce Mitev	
(23)	Association of Single Mothers	Pavlina Temelkovska	
(24)	Active for independent Initiative	Aleksandra Bojadzieva	
(25)	Union for Vlachs' Culture	Mitko Sterjov	
(26)	Women's Organization - Stip	Natasa Iceva	
15.00 - 17.00	Association of Single Mothers "Aurora" Roma Association "Cerenja"		
	Union of the Vlachs Active for Independent Initiative		
17.00 - 18.30	Meeting in Radio Channel 77 - Stip	Goran Gavrilov	Manager
Thursday 17.07.2003, Skopje			
10.00-12.00	Dutch Embassy	Margaret Struijf Elizabeta Bokovska	Deputy Mission Head Asst Development Coop
12:30-13:15	Green Planet NGO	Viktor Kocevaliski	Director
13:15 – 14.00	Mayor's office, Saraj Club "Besa" – Saraj Council member – Saraj Cultural Center Arnokija "Green Planet" NGO "Ambient" NGO City Council Saraj	Ferat Tairi Hisni Mustafa Sabahudin Mahmita Viktor Kosevalski Ali Merselji Hadzbi Zendeli	President City Council Member Director Secretary Chairman
15.00-16.30	Crisis Center Hope	Todorka Petkova Peter Simeonov	Manager
17.00-18.00	Healthy Options Project Skopje	Branko Dokujzovski	Executive director

Date/Time	Place/organization	Meeting with	Title/activity
Thursday 17-07, Stip and Karbinici			
10.30	"ISKRA" High School		Principal Deputy Principal CSHI Contractor Teacher
12.30	Karabinci Municipality		Mayor Clerk Manager of Public Company
14.00	Babylon Childrens Center		Deputy Director
15.00	Environmental Society		Borce Georgiev 5 other volunteers
16.30	New Life Anti Cancer	Violeta Eftinova Dragana Dina Mitrovik	President Volunteer Coordinator
Friday 18.07.2003, Skopje			
10.00-11.30	MRTV	Gordana Stosic Gryani Popovski Sani Fejzulahn	Director
12.00- 13.30	ECMI	Sunoor Verma	Regional representative
14.00-15.30	HERA	Stefan Stojanovic Igor Velgkovic	Executive director Manager
Friday 18.07.2003, Berovo			
11.00-14.00	NGOs GAMA ZZP Pehcevo ED Kladenec ZZP Berovo DAJA Berovo ED Brica	Berovo and Pehcevo Dejan Kolovski Nicolco Stoilkovski Jasminka Andonovska Darko Sumanski Lejla Cindarovska Slavica Furnadziska	
Monday, 21.07.2003, Skopje			
11.00-13.00	Media Development Center	Roberto Belicanec	Executive director
14.00-16.00	LGRP	William Althaus Alan Beals	Chief of Party League of Cities
Tuesday, 22.07.2003, Skopje			
10.00-12.00	MOST	Snezana Gjorgjievska Zoran Blazevski Rosana Aleksoska Darko Aleksov	President Financial director Coordinator Parl program Mobile parl coordinator Mobile parl coordinator
12.00-???	Catholic Relief Service	Loreta Georgieva Slobodanka Ristevska Natasa Milosevska Svetlana Gasovska	Civ Ed Project Manager Leader civ ed working grp Education pgm manager Civ ed project administrator
15:00-16:00	American Embassy	Drew Blakeney	Political officer

Date/Time	Place/organization	Meeting with	Title/activity
16.00-18.00	Union of Women's Organization of the Republic of Macedonia	Savka Todorova Irena Angelovik Svetlana Cvetkovska Genoveva Petreska Gordana Trenkovska Tanja Gjurovska Ana Apostolska Zora Gjorgjioska Danica Jovanova	President Coordinator Program Assistant Youth Center/Library Printing Materials/Dbase Your Center Coordinator Volunteer, social worker Office mgr, social worker Doc Center Coordinator
Wednesday, 23.07.2003, Skopje			
14.00-15.30	SIDA	Annika Palo Peeter Kaaman	Director Programme officer
16.00-17.30	UNDP	Matilda Dimovska	Programme officer
Thursday, 24.07.2003, Skopje			
8.45	Vila Zora NGO – Veles	Ruska Miceva	Board member
Tuesday, 29.07.2003, Skopje			
15:00	USAID mission	Mission staff to discuss draft	
Wednesday, 30.07.2003, Skopje			
14:00	USAID mission	Mission staff and partners to discuss draft report	

ANNEX E
QUESTIONNAIRE FOR FORMAL AND
NON FORMAL ASSOCIATIONS

June-July, 2003

ID # _____
Completion date _____
Data entry by _____
Date of entry _____

Begin Questionnaire:

This questionnaire is designed for representatives of both formally registered NGOs and non-formal community based associations.

1. Name of Respondent organization/association: _____
 2. Location _____ (municipality, village)
 3. Respondent's Position in Organization/association _____
 4. Gender M F (Circle one)
 5. Status of Organization (circle correct answer)
 - a. Registered NGO
 - b. Non-Registered Association
 - c. Local Government body
 - d. Other
-
6. When first organized as an association (not your legal registration date): _____
 7. Currently active: yes no
 8. Principal activity of Organization:_(circle one or more as they apply to your organization).
 - a. Service delivery
 - b. Membership and service
 - c. Service and Advocacy
 - d. Trustee (advocacy)
 - e. NGO support center
 - f. Umbrella organization: service only
 - g. Umbrella organization: service and advocacy
 - h. Branch of National Organization (please name) _____
 - i. Other (please briefly describe) _____
-
9. Funding support from outside donors (circle as many as apply)
 - a. no foreign donor support
 - b. Previous donor support, now finished
 - c. Current donor support in form of grant
 - d. Current donor project support in form of material/contractor

10. If your organization has received donor support, how many times
- a. Only once
 - b. Two times
 - c. Three or more
11. (IF RECEIVE DONOR SUPPORT) Please indicate the NAME of foreign donor program that has supported your association. (CIRCLE AS MANY AS NEEDED)
- a. ISC (DemNet/USAID)
 - b. CHSI (Berger Group/USAID)
 - c. CBI (OIM/OTI/USAID)
 - d. LGRP (DAI/USAID)
 - e. OSI
 - f. ECMI
 - g. EAR/EU/PHARE
 - h. MICI
 - i. SWISS
 - j. GERMAN
 - k. DUTCH
 - l. CIDA
 - m. SIDA

OTHER _____

(IF DIRECT DONOR SUPPORT) Please try to remember as best you can the details of the donor supported activity and enter in the table below:

TABLE 1
Donor Support Detail

Donor Name	Date Begin	Date End	Amount	Activity

12. (FOR ALL RESPONDENTS, PLEASE INDICATE FORMS OF SUPPORT OTHER THAN DONORS) (circle as many as appropriate)
- a. Rely principally on local volunteer labor and supporters
 - b. Collect membership dues and contributions
 - c. Donations from business sector
 - d. Contributions from private citizens interested in activities
 - e. Get cash support/subsidy from government
 - f. Get material (in kind) support from government
 - g. Other|_____

13. Principal Beneficiaries of Organization's work (SELECT ONE)
- a. Members of our association
 - b. People we provide services to (elderly, disabled, youth, etc.)
 - c. Public institutions (schools, clinics, water supply, roads, community centers, street lights.) Please specify _____
 - d. Persons who care about social and policy issues (environment, human rights, drug awareness, etc)
 - e. Other
- _____
- _____

14. Current level of activity
(PLEASE TELL US HOW ACTIVE YOUR ORGANIZATION IS. SELECT THE RESPONSE BELOW WHICH MOST CLOSELY FITS YOUR SITUATION AT THIS TIME.)
- a. currently inactive
 - b. low level (occasional meeting, one small activity this year)
 - c. moderate (fairly regular meetings, sponsor several events each year, do some "outreach" to community, volunteer some labor for a project, have some published materials about organization's work.)
 - d. high (regular meetings, continuous scheduled regular activities and events, maintain high level of communication with constituencies, meet occasionally with authorities about programs.)
 - e. exceptional (regular meetings, active in more than one project, meet frequently with local government, communicate regularly with members and community, have plans and proposals for future projects.)

15. (ACTIVE ORGANIZATIONS ONLY)**Formal Organizational Development** (THIS QUESTION ASKS ABOUT YOUR ORGANIZATION'S FORMAL STRUCTURE. Please circle letter which best describes your organization.)
- a. Level I:No formal structure:
(e.g., our group meets informally, no formal leadership, becomes active on occasion when necessary to carry out work.)
 - b. Level II:
(group has clearly designated leader, a few core followers, irregular meetings, general idea of purpose and activities, can organize small events, has limited printed information on organization, keeps simple receipt book as needed.)
 - c. Level III:
(group has elected leader, some specific division of labor among "staff" (may be volunteers or part time), has written statement of goals and objectives, has some accounting capability to manage grant money, has active communications outreach, can mobilize a "membership" and can organize events, but not continuous program services or advocacy.)

- d. Level IV:
(group has elected and accountable leader, a nominal Board of Directors, membership does not pay dues, has some form of elections, some professional staff to manage the organization's work, has demonstrable ability to conduct continuous activities (service or advocacy), produces updated information on organization, may have a web site, interacts fairly regularly with government and other organizations, can prepare own strategic and fundraising materials/proposals, manages one major project or program activity, can prepare fund raising proposals with outside assistance.)

- e. Level V:
(group has elected leader, membership, regular meetings, independent Board of Directors, two or more full time professional staff, regular accounting and financial management with audit reports, manages diverse program activity, monitors and evaluates program, has active media outreach including web site, has active fundraising program, has high visibility and access in public circles and government.).

16. Please tell about your plans for the future if any. What do you and your colleagues expect for your association in the future. (PLEASE CIRCLE THE LETTER NEXT TO THE STATEMENT WHICH BEST DESCRIBES YOUR ASSOCIATION'S FUTURE PLANS)

- a. We are happy with our current status and don't want to become something different.
- b. We want to remain an informal association that helps solve problems of our community.
- c. We want to take on new challenges and become a stronger organization at the local level.
- d. We want to become a more effective organization in presenting our ideas and interests to local authorities.
- e. We want to develop into a more professional association with the ability to deliver consistent services to our communities.
- f. We want to become a strong voice for representing our issues to the local and national authorities and government.
- g. Other (Please give brief description)

17. PLEASE TELL US ABOUT THE **MOST IMPORTANT** PROBLEMS THAT YOUR ASSOCIATION FACES IN ACHIEVING ITS GOALS. (CIRCLE UP TO 3 ONLY)

- a. We have a difficult time getting people to participate in our activities on a regular basis.
- b. The local authorities do not take us very seriously.
- c. We lack the money to become a more professional organization.
- d. We need more training in proposal writing, management, financial accounting and evaluation.

- e. We need to become more technically expert in our efforts to deliver services and solve problems.
- f. We need to learn how to communicate our ideas and activities to a wider audience.
- g. We have become too dependent on foreign donors for our support.
- h. Macedonians don't trust NGOs to represent their interests.
- i. A major problem is getting people to reach agreement on what needs to be done and how to go about doing it.
- j. We rely too much on the authorities to deal with problems, rather than organizing ourselves as citizens.
- k. Other (please give brief description) _____

18. The last few years have been difficult for all Macedonians. At the same time there has also been a substantial increase in the number of legally registered NGOs, and there is evidence that non-formal associations such as parent associations, community associations, youth groups, have also increased in number.

In this question we would like you to think back over the last 3 years to 1999. With that year in your mind as a baseline, please indicate your agreement or disagreement with the following statements. Your response should be based on your direct experience and judgment.

“Compared to 1999, People and CSOS in this Area are:”

Read Statement	Completely Agree	Some What Agree	Not Certain there is Any Change	Partially Disagree	Completely Disagree
a. Much more active in community affair.					
b. More cooperative and tolerant working with different ethnic and religious communities.					
c. More willing to try to solve community problems by working together.					
d. More active in presenting issues to local authorities in an organized way.					
e. More influential in convincing local authorities to take needed action on local issues.					
f. More willing to work jointly with local authorities to improve local structure and services.					

**THIS COMPLETES THE QUESTIONNAIRE
 THANK YOU FOR YOUR PARTICIPATION**

ANNEX F

INSTRUCTIONS FOR WORKING GROUP SESSIONS

I. Purpose:

The purpose of the working group discussion is to share experiences and issues related to the formation and activation of civil society organizations and associations, as well as to discuss the impact and effectiveness of donor programs that provide assistance to this development in Macedonia.

II. Process:

Association Representatives will form into small discussion groups with the guidance of the Assessment Team Leader.

- Each person in the group will briefly introduce themselves.
- The group will appoint a group Leader and a Reporter.
- An Assessment Team member will sit in and respond to questions for clarification as needed.
- The Leader will manage the time to ensure all questions are covered and make sure everyone has a chance to participate.
- The Reporter will record the main points and areas of consensus that emerge from the group's discussion using a "flip chart".
- The Leader or the Reporter will summarize the group's main findings and agreements in a Plenary Session following the working group meetings.

III. Time available

- Approximately 1 hour and fifteen minutes for introduction and discussion.
- 10 minutes for reporting to the Plenary session.

IV. Working Group Discussion Questions

1. Looking back over the period since Independence, have people become more willing to join NGOs and associations to work for a common purpose? Or is there less willingness or no change?
2. How effective are local organizations in letting government and local authorities know about their interests and concerns? Has this changed for the better, the worse, or is there no change?
3. Do you think that by working together in associations and NGOs people here can have more **influence** in what government and local

4. authorities actually do? Have local government and other authorities been responsive to your efforts?
5. Most of the Civil Society projects are funded by foreign donors. After the donor support is finished, is there any evidence of lasting results? If so, give examples. If not, why not? Do successful projects lead to more cooperation, new initiatives, and greater self confidence about what can be done by people working together, or does nothing change?
6. What can foreign donors do to become more effective and helpful. Please be specific.

ANNEX G.
ADDITIONAL TABLE FROM QUESTIONNAIRE SURVEY AT
WORKSHOP SESSIONS

TABLE A
Main Activities of NGOs & NFOs
(multiple answers permitted)

	Bitola		Kumanovo		Tetovo		Stip		Total	
	N	%	N	%	N	%	N	%	n	%
Service	28	21.1	13	31.7	20	23.2	16	23.2	77	26.5
Membership	18	13.5	7	17.1	8	10.1	7	10.1	40	13.8
Service/Advocacy	24	18.1	6	14.6	13	26.1	18	26.1	61	21.0
Trustee/Advocacy	8	6.0	1	2.4	0	10.1	7	10.1	16	5.5
NGO support	14	10.5	4	9.8	2	8.7	6	8.7	26	8.9
Umbrella/service	0	0.0	0	0.0	1	1.5	1	1.4	2	0.7
Umbrella/service/advocacy	7	5.3	3	7.3	2	7.3	5	7.3	17	5.8
Branch Nat. Org	12	9.0	2	4.9	2	4.4	3	4.3	19	6.5
Other	22	16.5	5	12.2	0	8.7	6	8.7	33	11.3
Total	133	100.0	41	100.0	48	100.1	69	99.9	291	100.0

TABLE B
Non-grant Forms of Support for NGOs & NFOs
(multiple answers permitted)

	Bitola		Kumanovo		Tetovo		Stip		Total	
	N	%	N	%	N	%	N	%	N	%
Volunteer supporters	22	27.5	16	35.6	12	31.6	13	31.0	63	30.7
Membership fees & contribut.	10	12.5	5	11.1	4	10.5	9	21.4	28	13.7
Business donations	12	15.0	4	8.9	5	13.2	3	7.1	24	11.7
Private contributions	4	5.0	8	17.8	7	18.4	7	16.7	26	12.7
Gov't grants & subventions	7	8.8	1	2.2	4	10.5	4	9.5	16	7.8
Gov't material support	5	6.3	5	11.1	3	7.9	1	2.4	14	6.8
Other	20	25.0	6	13.3	3	7.9	5	11.9	34	16.6
Total	80	100.0	45	100.0	38	100.0	42	100.0	205	100.0

TABLE C
Most Important Problems Faced by Respondents' Organizations
(Up to three responses permitted)

	Bitola		Kumanovo		Tetovo		Stip		Total	
	N	%	N	%	N	%	N	%	n	%
Participation of citizens	7	5.2	3	4.6	2	3.4	14	4.2	2	2.7
Authorities don't respect	13	9.6	6	9.2	5	8.5	33	9.9	9	12.2
Money for Professional development	24	17.7	16	24.6	12	20.3	71	21.3	19	25.7
Management training needed	9	6.6	5	7.7	10	17.0	31	9.3	7	9.5
Technical Competence training needed	10	7.4	5	7.7	10	17.0	35	10.5	10	13.5
Poor communication skills	2	1.5	3	4.6	4	6.8	12	3.6	3	4.1
Dependence on donors	23	16.9	12	18.5	4	6.8	46	13.8	7	9.5
Citizen distrust	13	9.6	2	3.1	1	1.7	18	5.4	2	2.7
Reaching agreement on priorities	15	11.0	2	3.1	6	10.2	31	9.3	8	10.8
Dependence on authorities	11	8.1	9	13.9	2	3.4	28	8.4	6	8.1
Other	9	6.6	2	3.1	3	5.1	15	4.5	1	1.4
Total	136	100.2	65	100.0	59	100.2	334	100.2	74	100.2

TABLE D
Changes in Willingness to Work Together Generally and
Across Ethnic and Religious Lines

Compared to 1999, people in my area are more:	Completely agree	Somewhat agree	Neutral	Somewhat disagree	Completely disagree	Total
Willing to work together to solve community problems	46 35.7%	58 45.0%	12 9.3%	8 6.2%	5 3.9%	129 100.1%
Cooperative and tolerant in working with different ethnic & religious communities	36 27.5%	47 35.9%	23 17.6%	19 14.5%	6 4.6%	131 100.1%